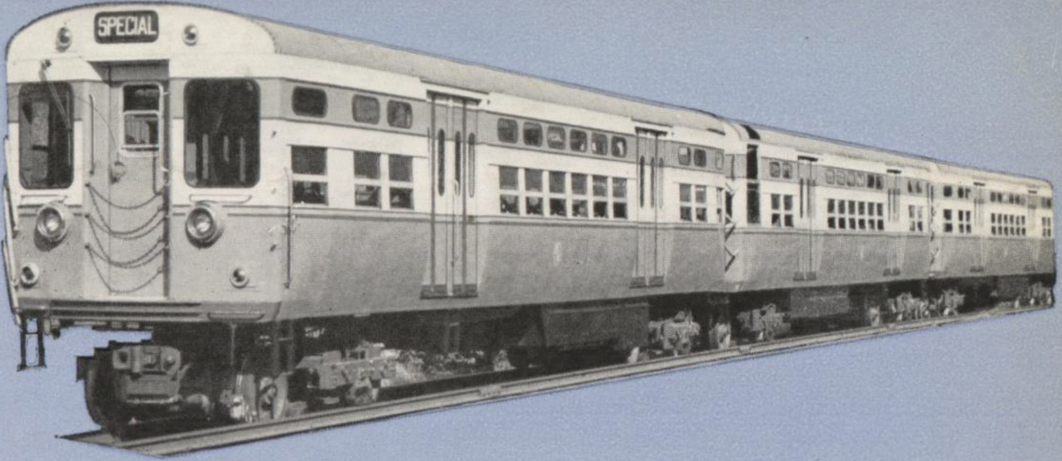

1956 · ANNUAL REPORT

Chicago Transit Board

CHICAGO TRANSIT AUTHORITY

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CHICAGO TRANSIT AUTHORITY

TWELFTH ANNUAL REPORT

CHICAGO TRANSIT BOARD

for the Fiscal Year ended December 31, 1956

MEMBERS OF THE BOARD

and Date Term Expires

James R. Quinn	M	September 1, 1957
John Holmes	M	September 1, 1958
Virgil E. Gunlock, *Chairman*	M	September 1, 1959
William W. McKenna, *Secretary*	M	September 1, 1960
Werner W. Schroeder, *Vice Chairman*	G	September 1, 1961
Philip W. Collins	G	September 1, 1962
Mrs. Bernice T. Van der Vries	G	September 1, 1963

M—Appointed by the Mayor of the City of Chicago.
G—Appointed by the Governor of the State of Illinois.

Walter J. McCarter, *General Manager* Thomas C. Strachan, Jr., *General Attorney*

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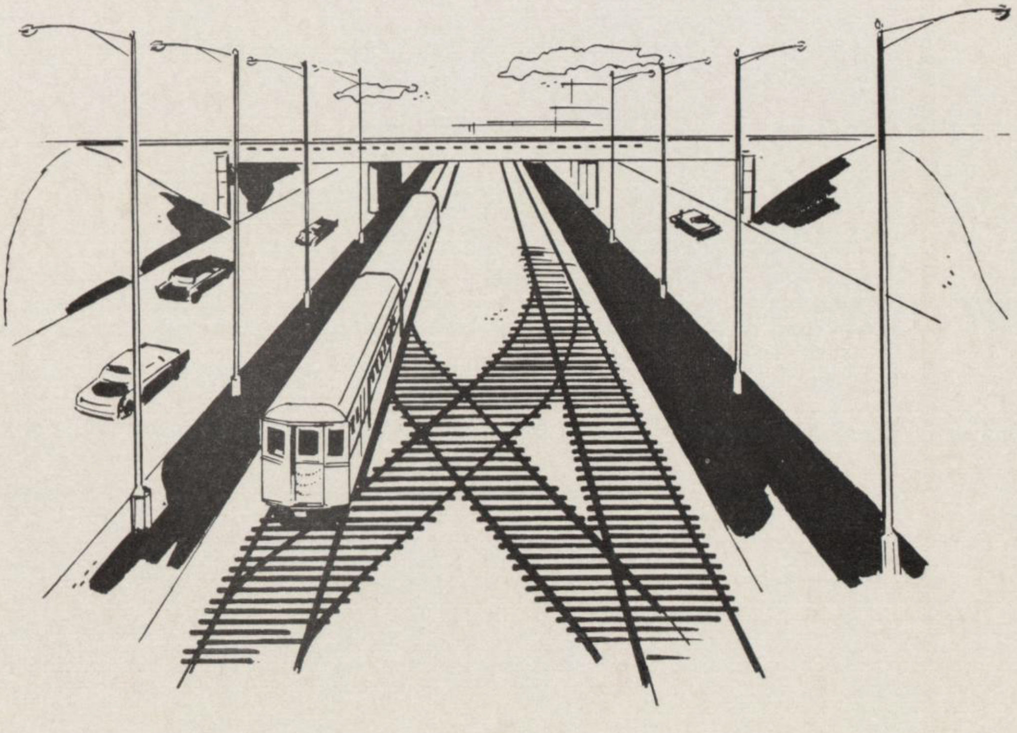

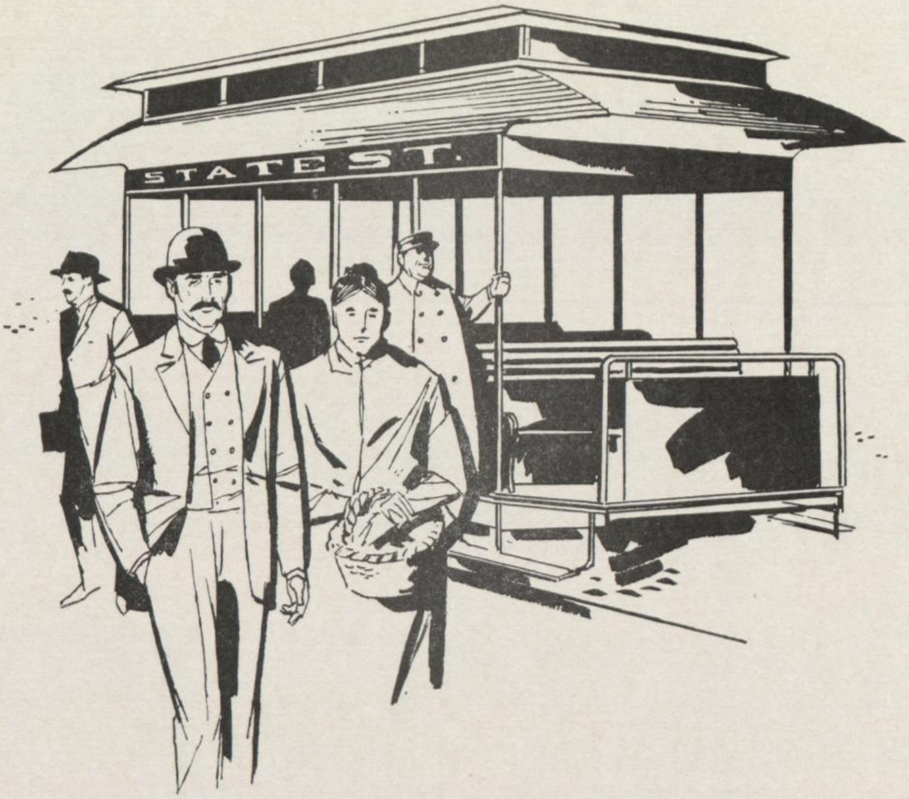

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Merchandise Mart Building at Kinzie and Wells Streets is served by CTA Surface and Rapid Transit Systems. The Authority's general offices are located on the seventh floor.

Financial Position and Results of Operations

The Authority ended 1956 with a deficit of $223,611 in depreciation as compared with 1955, when it had $830,587 available for deposit in the Revenue Bond Amortization Fund for the advance retirement of its revenue bonds.

A summary of 1956 operations compared with those for 1955 is shown below:

	1956	1955
Revenues	$120,193,554	$120,897,185
Operation and Maintenance Expenses	102,711,307	102,488,191
	17,482,247	18,408,994
Debt Service Requirements	8,090,374	7,906,632
	9,391,873	10,502,362
Depreciation—Current period	9,615,484	9,671,775
(Deficit in depreciation provision) or balance available for other charges	$ (223,611)	$ 830,587

( ) Denotes red figures.

A decrease of $703,631 (approximately ½%) in revenues and an increase of $223,116 (1/5%) in operation and maintenance expenses for 1956 compared with 1955 were the primary causes of the deficit at the end of 1956. The deficit in depreciation is accumulated and must be made up from revenues available for depreciation in 1957 before any provision for depreciation may be made for that year.

Revenues of the Authority from all sources for 1956 are compared below with 1955.

	1956	1955	Per Cent Increase (Decrease)
Passenger—			
Surface System	$ 94,851,938	$ 96,187,802	(1.39%)
Rapid Transit System	23,103,398	22,460,331	2.86
	117,955,336	118,648,133	(.58)
Chartered Service	240,530	317,494	(24.24)
	118,195,866	118,965,627	(.65)
Other—			
Station and Car Privileges	916,877	930,603	(1.47)
Rent of Tracks and Facilities	299,448	366,735	(18.35)
Rent of Buildings and Other Property	299,791	272,310	10.09
Miscellaneous	481,572	361,910	33.06
Total Revenues	$120,193,554	$120,897,185	(.58%)

Rates of fare, adults 20c and children and students 10c, remained the same in 1956 as they had been in 1955. A change in student riding privileges was made in

September 1956 when a semester pass (containing a photograph of the student) was sold for $1.00 to each student who desired unlimited riding privileges seven days a week at the student rate, while a limited pass was issued free of charge to students who desired to ride only during school hours five days a week at the student rate of fare. Previously all students were permitted to ride at all times at the student rate of fare upon presentation of a student identification furnished them free of charge.

Originating passengers carried by the Authority during 1956 and 1955 are shown below:

	1956	1955	Increase (Decrease)
Surface System—			
Adult fares	440,837,763	449,409,576	(1.91%)
Child and student fares	59,461,256	56,134,034	5.93
Shuttle fares	5,324,442	5,060,062	5.22
	505,623,461	510,603,672	(.98)
Rapid Transit System—			
Adult fares	110,502,372	107,295,248	2.99
Child and student fares	5,156,733	5,594,728	(7.83)
	115,659,105	112,889,976	2.45
Total—			
Adult fares	551,340,135	556,704,824	(.96)
Child and student fares	64,617,989	61,728,762	4.68
Shuttle fares	5,324,442	5,060,062	5.22
	621,282,566	623,493,648	(.35%)

In 1956, as has happened since 1954, Rapid Transit System riding increased over the previous year. New equipment and reductions in running time arising from skip-stop and other operational changes have improved Rapid Transit service and riding has continued to increase.

The decrease in Surface System riding (.98%) was not as great as had been experienced in 1955 when Surface System riding was down 3.65% from the previous year.

The increase in child and student riding and the drop in adult riding on the Surface System, which was not overcome by the increased adult riding on the Rapid Transit System, reduced the average fare collected on both systems to 18.99c in 1956 compared with 19.08c in 1955.

Charter revenues decreased $76,964 in 1956 as compared with 1955 due to the fact that equipment was not always available to meet charter demands. The decrease in income from rent of tracks and facilities was caused by the abandonment of its Shore Line operation in July 1955 by the Chicago North Shore and Milwaukee Railway Company. Miscellaneous income increased from the sale of approximately 120,000 Student Unlimited Riding Cards at $1.00 each in September 1956.

Operation and maintenance expenses totalled $102,711,307 for the year 1956 and were up only $223,116 (1/5%) in spite of increases in hourly wage rates and other costs. A comparison of the elements making up these costs for the years 1956 and 1955 are shown below:

	1956	1955	Increase (Decrease)
Wages and Salaries	$ 68,357,918	$ 66,684,641	$1,673,277
Pension Contributions	4,994,463	4,914,695	79,768
Federal Insurance Contributions	1,231,970	1,264,769	(32,799)
Employes' Insurance	636,834	640,347	(3,513)
Total Labor Costs	75,221,185	73,504,452	1,716,733
Electric Power Purchased	4,903,074	5,212,375	(309,301)
Motor Fuel Consumed	2,810,263	3,535,013	(724,750)
Operating Materials and Supplies	5,819,945	5,733,047	86,898
Provision for Injuries and Damages	8,113,065	8,660,560	(547,495)
Miscellaneous Services, Supplies, etc.	5,843,775	5,842,744	1,031
Total Operation and Maintenance Expense	$102,711,307	$102,488,191	$ 223,116

Total wages and salaries increased as a result of the application of increased rates of hourly wages and changes in the cost-of-living allowance based on the one-man operator hourly wage rate as set forth below:

	Basic Hourly Rate	Change in C-of-L Allowance	Total Hourly Rate
December 31, 1955	$2.075	$0.03	$2.105
1956—			
March 1	—	−.015	−.015
June 1	+.05	—	+.05
September 1	—	+.045	+.045
December 1	—	+.01	+.01
December 31	$2.125	$0.07	$2.195

The above changes in the hourly rate of wages are estimated to have added approximately $3,440,000 to wage and salary costs for the year 1956. The net effect of the above increase was reduced to $1,673,277, however, as a continuing result of reductions in manpower requirements achieved by converting two-man streetcar lines to motor bus operation by use of new propane buses, by continuing to substitute new remote-door-controlled L-subway cars delivered during the year for old wood-steel cars on the Rapid Transit System, and by continuing economies in other operations.

Pension and Federal Insurance (O.A.B.) rates remained stable during the year 1956 and the minor variations in these costs from the year 1955 were due to variations in earnings of individual employes.

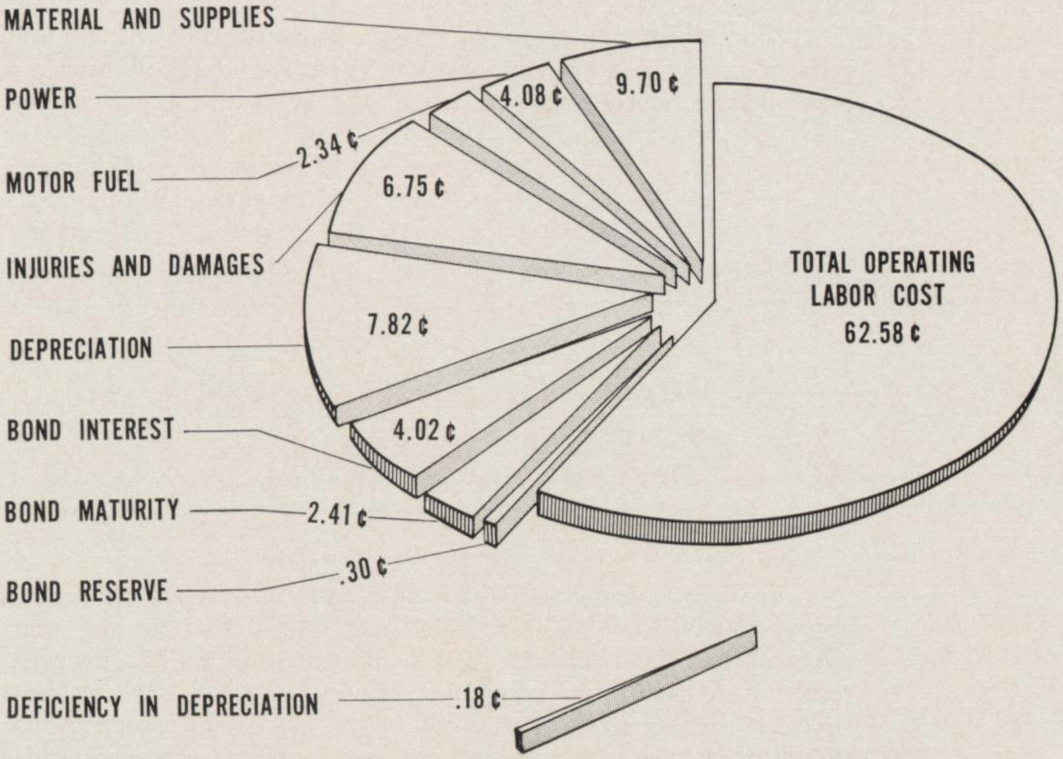
Electric power purchased costs decreased in 1956 as compared with 1955 because of the continuing conversion of streetcar lines to motor bus operation.

The principal cause for reduction in the cost of motor fuel consumed was because State of Illinois motor fuel taxes, amounting to $830,334, were paid during the first six months of 1955, after which the Authority, by act of the legislature of the State of Illinois, effective July 5, 1955, was exempted from the payment of this tax. The effect of this reduction was partially offset by additional motor fuel used as a result of converting streetcar lines to motor bus operation.

The reduction in the provision for injuries and damages was primarily due to the fact that a special provision of $500,000 had been made during the year 1955 and was not repeated in 1956.

Debt service requirements of $8,090,374 for the year 1956 were up $183,742 from 1955 as the result of an increase of $300,000 in the deposit to the Series of 1947 Serial Bond Maturity Fund, which was partially offset by a decrease in interest payments on outstanding bonds as a result of the retirement of revenue bonds through the serial maturity fund and the early retirement of revenue bonds through the operation of the Revenue Bond Amortization Fund.

DISTRIBUTION OF CTA'S 1956 REVENUE DOLLAR



NOTE: Total Operating Labor Costs exclude $1,838,196 (1.53c of CTA's Dollar) charged to Operating Materials and Supplies, Injuries and Damage Reserve and Miscellaneous Services and Supplies.

Payments to City of Chicago, Chicago Park District and State of Illinois

Payments for taxes and other items to the City of Chicago, the Chicago Park District and the State of Illinois for the years 1956 and 1945 are shown below. In addition, the Authority spent in excess of $700,000 in 1956 and $800,000 in 1955 for the removal of snow and ice from transit route streets.

		1956	1955
City of Chicago	Revenue tax charge collected from Authority by Commonwealth Edison Company and paid to City of Chicago		
	City of Chicago Franchise 4%	$ 167,247	$ 181,257
	City of Chicago Municipal Utility 5.6% less Franchise tax—Charged to "Electric Power Purchased"	34,680	....
	For a portion of City's cost of repaving streets on which tracks have been abandoned—Charged to "Depreciation Reserve"	300,000	300,000
	State Street Subway facilities	137,362	137,362
	Dearbon Street Subway facilities	153,974	153,974
	Charged to "Miscellaneous Services and Supplies, etc."		
	License fees covering buses, trolley coaches, autos, trucks, trailers, flammable liquids, etc.—Charged to "Miscellaneous Services and Supplies, etc."	243,454	246,388
	Total—City of Chicago	1,036,717	1,018,981
Chicago Park District	Payment for wear and tear of boulevards arising from operation of the Authority's buses—Charged to "Miscellaneous Services and Supplies, etc."	200,000	200,000
State of Illinois	Fuel tax on gasoline, diesel and propane fuel for revenue buses, passenger autos, trucks and shops—Charged to "Motor Fuel Consumed"	....	830,334(1)
	Revenue tax charge collected from Authority by Commonwealth Edison Company and paid to State of Illinois—3%—Charged to "Electric Power Purchased"	125,450	135,959
	License fees covering buses, trucks, trailers, autos and chauffeurs—Charged to "Miscellaneous Services and Supplies, etc."	6,488	6,508
	Total—State of Illinois	131,938	972,801
	Total payments during Year	$1,368,655	$2,191,782
City of Chicago	Accumulated liability for repaving streets on which tracks have been abandoned but which have not yet been repaved (Payment of this limited by franchise to $300,000 per year)	$1,835,716	$1,908,116

(1) Illinois Motor Fuel Tax Law amended, effective July 5, 1955, by State Legislature to exempt all motor fuel used by CTA motor vehicles from 5c per gallon tax.

No deposits were made to the Revenue Bond Amortization Fund from 1956 operations of the Authority as there were no revenues remaining available for this purpose. During January 1956, however, there was deposited $205,679 in this fund covering operations of the last quarter of 1955, which was used by the Trustee to purchase and retire revenue bonds in advance of their maturity. This transaction and the total transactions of the Revenue Bond Amortization Fund to date are summarized below:

	Revenue Bonds Purchased and Retired Before Maturity			
	During 1956		Total	
Series	Principal Amount	Cost	Principal Amount	Cost
1947	$179,000	$157,960	$2,534,000	$2,282,576
1952	37,000	36,778	515,000	511,447
1953	11,000	11,001	87,000	88,151
	$227,000	$205,739	$3,136,000	$2,882,174

New Financing

The Authority, on June 20, 1956, issued Series 7 Equipment Trust Certificates dated June 1, 1956 in the amount of $1,375,000 to replace a like amount of certificates which had matured on January 1, 1956. On January 4, 1957 an additional $1,405,000 of Series 7 certificates dated December 1, 1956 were issued to replace certificates which had matured July 1, 1956.

The proceeds of these two issues of certificates ($2,780,000), together with $3,000,000 from the Authority's depreciation reserve fund and $1,820,000 representing the proceeds from the sale of principal parts of 130 PCC streetcars to the St. Louis Car Company (for conversion to L-subway cars), are to provide funds, together with Series 7 certificates sold in 1955, for the conversion of 130 PCC streetcars to L-subway cars and the purchase from Flxible-Twin Coach of 150 propane buses.

Contracts for this equipment were entered into during 1955 and the early part of 1956. At December 31, 1956 there had been received on these orders 40 L-subway cars and 50 propane buses. It is expected that deliveries of these orders will be completed by mid-year 1957.

It is expected that financing will be arranged in 1957 to issue additional equipment trust certificates, after outstanding certificates mature on January 1 and July 1, 1957, together with funds from the Authority's depreciation reserve fund and proceeds from the sale of principal parts of PCC streetcars, to convert approximately 70 additional PCC streetcars to L-subway cars and to purchase an additional 150 motor buses. Conversion of these PCC streetcars will complete the modernization of the Rapid Transit System, so that all wood-steel equipment will have been completely replaced with all-metal cars.

The Year in Review

Operating Results

The year 1956 can best be described as a year of bitter struggle between the inexorable forces of inflation, loss of patronage due to automobile competition, and manpower shortages versus service improvements and increased operating efficiency, resulting in a $223,611 deficit for the year as contrasted to a gain of $830,587 in 1955. The irony of the situation is that a favorable break in any of these adverse factors would have prevented the deficit. For example, the inflationary trend in wages and cost-of-living allowances added an average of 10.38c per hour to 1956 labor costs, amounting to approximately $3,440,000, and increases in cost per gallon of motor bus fuels added another $95,000, these two items alone accounting for $3,535,000 in increased costs in 1956. Loss in patronage, while only 0.35% under 1955, accounted for a $692,797 loss in passenger revenues and chartered bus revenues diminished by $76,963, making a combined passenger revenue loss of $769,760. Manpower shortages throughout the system in 1956 burdened operating expenses with overtime costs of approximately $930,000.

Riding Trends

With the continual addition of new equipment and improvement of service, the downward trend in overall Authority's riding was only 0.35% below the year 1955. Nationally, in cities of over 1,000,000 population, the decline was 1.61%. Patronage on the surface lines was down 0.98% but on the traffic-free rapid transit lines the trend was upward for a gain of 2.45%.

Vehicle Miles

The same high standards and frequency of service were maintained and somewhat improved during the year. Revenue miles operated on surface routes were reduced by 0.97% under 1955, while rapid transit miles increased 1.49%. The reduction in surface route miles was accomplished by consolidation of certain competing lines which actually improved and speeded up service in the areas affected.

Speed of Operation

Average speed of bus operation on surface routes in 1956 increased 0.2% over the 1955 operation while average speed of streetcars fell off by 3.3%. Although the increased average in bus speeds may not seem impressive, it does show the result of concerted efforts to improve the service in the face of ever-increasing competition from automobiles for street space, and also emphasizes the inability of street cars to maintain adequate speeds in the face of this competition. Passenger automobile registrations in Chicago for 1956 increased to 870,487, or 4.7% over the year 1955. This represents an additional 39,069 automobiles competing for space on Chicago's already overcrowded streets and boulevards.

Safety

The year 1956 was the safest in the Authority's history and the second consecutive year in which our employes set a new public safety record in Chicago. During 1956 we had the fewest public accidents, the fewest public fatalities, and the lowest accident frequency rate for any year in the Authority's history.

Intensive employe training and accident prevention programs, coupled with co-operative efforts by supervisory personnel, largely account for the excellent record made in 1956 and the Authority's progressive reduction in accidents since it took over the operations on October 1, 1947. The following statistical data, amplified to include Chicago Motor Coach Company accidents prior to its take-over by the Authority on October 1, 1952, illustrates the effectiveness of the Authority's safety program:

Total Accidents and Incidents

	Year	Year	Year	Year	Per Cent Incr. or (Decr.) 1956 over	
	1947	1951	1955	1956	1955	1947
Traffic Accidents . . .	26,255	22,862	13,952	12,663	(9.2%)	(51.8%)
Passenger Accidents . .	15,163	11,333	9,069	8,720	(3.8)	(42.5)
Total Operating Accidents . . .	41,418	34,195	23,021	21,383	(7.1%)	(48.4%)
Other Incidents* . . .	10,288	7,146	5,871	6,074	3.5	(41.0)
Grand Total . . .	51,706	41,341	28,892	27,457	(5.0%)	(46.9%)

The total Accident Frequency Rate (accidents per 100,000 miles operated) which, in the final analysis, is a truer measure of safety of operation, shows comparable improvement:

Accident Frequency Rate
(Per 100,000 miles)

	Year	Year	Year	Year	Per Cent Incr. or (Decr.) 1956 over	
	1947	1951	1955	1956	1955	1947
Traffic Accidents	13.6	13.2	8.5	7.8	(8.2%)	(42.6%)
Passenger Accidents . . .	7.8	6.6	5.6	5.4	(3.6)	(30.8)
Total Operating Accidents	21.4	19.8	14.1	13.2	(6.4%)	(38.3%)
Other Incidents* . . .	5.3	4.1	3.6	3.7	2.8	(30.2)
Grand Total	26.7	23.9	17.7	16.9	(4.5%)	(36.7%)
Revenue Vehicle Miles (,000 omitted)	193,408	172,880	163,069	162,561	(0.3%)	(15.9%)

* Includes ejections, assaults, acts of vandalism, torn or soiled clothing, falling on or from platforms, and other incidents not attributable to faulty operation of vehicles.

This excellent safety record is all the more noteworthy when traffic congestion is considered. In 1956 vehicle registrations in Chicago totalled 953,452, an increase of 326,077 vehicles over 1947 registrations. Perecentage-wise, this 52% increase in vehicle registrations increased the potential traffic accident hazard to a considerable degree on surface system operations which account for approximately 73% of total system miles operated.

Public fatalities involving the Authority and predecessor companies follow the same general downward trend as the foregoing accident records:

	Year 1947	Year 1951	Year 1955	Year 1956	Per Cent Incr. or (Decr.) 1956 over 1955	Per Cent Incr. or (Decr.) 1956 over 1947
Total fatalities . .	133	71	64	54	(15.6%)	(59.4%)

All fatalities occurring on Authority properties or at the scene of an accident involving an Authority vehicle (exclusive of employe fatalities, if any) are included in the above totals. In most instances, the Authority is not at fault. During 1956 there were eleven deaths resulting from four accidents considered chargeable to faulty operations compared with six deaths resulting from six chargeable accidents in 1955. Eight of the eleven deaths in 1956, chargeable to faulty operation, occurred as the result of a rapid transit system train collision at the Wilson Avenue station on November 5, 1956. Immediate steps were taken to increase safety precautions at this station pending the structural changes to be made in this station area as outlined in a following section of this report.

Surface System Service

Streetcar Lines Discontinued

The Western Avenue one-man streetcar operation was converted to motor bus operation on June 18, 1956. This modern, flexible bus operation will expedite the City's program of constructing through-lane overpasses at heavily used street intersections and of re-paving the entire street with a minimum of inconvenience and loss of time to our patrons.

The Broadway two-man streetcar operation was converted to bus operation on February 18, 1957. With this change, Clark-Wentworth (Route No. 22) is the only streetcar line remaining in the Authority's surface operations.

Schedules for bus operation on Broadway illustrate the service improvements over that offered by the more expensive and less efficient streetcar operation. Overall rush-hour service was increased in number of vehicle trips by the use of 54 new 51-passenger propane buses which replaced 45, 57-passenger PCC streetcars. This provides more frequent service for our patrons because the interval between vehicles in morning rush hours has been reduced by one-half minute, from 3¾ to 3¼ minutes, and during evening rush hours the reduction is from 3 to 2½ minutes. Base period headways remained the same at between 4 and 4½ minutes.

Limited Stop Service

Limited-stop rush-hour service was inaugurated on the 63rd Street line on June 18, 1956, in the section between Cicero Avenue and Loomis Street. The buses providing this service operate between Narragansett and Stony Island, making local stops west of Cicero and east of Loomis. The remaining service between Narragansett and Stony Island or between Cicero and Stony Island operate on an all-stop basis. There are now 16 long, main line surface routes on which limited-stop service is rendered during rush hours and in some instances all day.

Consolidation of Routes

Certain routes were consolidated during the year for the purpose of expanding or improving service in the areas served. Effective February 5, 1956, the 26th Street and 31st Street bus routes were consolidated. The new "U" thru routing provides service between Archer-Ashland and Halsted-26th via Archer, 31st Street, Cottage Grove and 26th Street, and furnishes 24-hour service, seven days a week, to both Michael Reese and Mercy Hospitals for the convenience of their patients, visitors and employes.

The Jackson Boulevard and Van Buren Street bus routes were consolidated April 7-9, 1956, to improve the speed of operation and to better serve the area. Due to the Congress Street superhighway construction work, which had caused numerous detours for more than two years, operation of the Van Buren Street line became impractical because regularity and frequency of service could not be controlled. Prior to consolidation, the Van Buren buses were, to a great extent, operating over the same streets as Jackson buses. The consolidated Jackson Boulevard line operates in three segments, as follows:

(1) The main line (Route No. 126) operates from a west terminal at Austin and Jackson Boulevards to the east terminal at East 14th and Lake Shore Drive. Service is also provided from this terminal to the Planetarium.

(2) A supplemental Van Buren Street operation (Route No. 126A) was retained for weekday rush hours only, for operation between Kedzie Avenue and State Street, when main line buses make only limited stops between Kedzie Avenue and Halsted Street. Later, this short line route was extended east from State Street to Michigan Avenue to increase its effectiveness in carrying passengers.

(3) "Owl" service on the consolidated line is provided seven days a week in a clockwise loop east in Jackson from Halsted to Michigan, south in Michigan to Van Buren, west in Van Buren to Halsted and north in Halsted to Jackson.

An expanded express operation is incorporated in the main line service during rush hours, Mondays through Fridays, in both directions, and saves approximately four minutes over the former running time.

The Kedzie-Homan (Route No. 82-A) and North California (Route No. 94-A) lines were consolidated September 9, 1956, into a new route known as Kedzie-Homan (Route No. 82-A). This consolidation made possible a direct "L" connection at Kedzie Avenue station on the Ravenswood Rapid Transit Branch for northwest side riders formerly using the North California Avenue route and also provides direct service between the Albany Park District and the west Rogers Park areas.

In another progressive move to provide better mass transit facilities for its patrons, the Lunt Avenue (Route No. 154) and Touhy Avenue (Route No. 96) lines were consolidated September 9, 1956, to form a through "U" shaped route known as Lunt-Touhy (Route No. 96). By merging the two lines into one through route, patrons from the vicinity of the western sections of the former Lunt and Touhy lines now have more flexibility in choosing a route which will take them to either the Morse Avenue "L" station in Rogers Park or the Howard Street "L" station, whichever best suits their purpose.

Other Service Improvements

Six bus lines were extended and ten other bus lines were rerouted or modified to better serve the public. Among them was the extension of the South Park (Route No. 3) and Lake Street (Route No. 16) lines on July 1, 1956, to furnish direct entrance-door service to the newly-erected Prudential building. On April 9, 1956 the Wacker line (Route No. 158), a rush-hour service between the Union and North Western stations and North Michigan Avenue, was divided to utilize the lower as well as the upper levels of Wacker Drive. A supplemental, mid-morning express bus service on Jeffery Avenue was inaugurated September 10, 1956, to afford fast, convenient shopping service for residents of southeast Chicago. Only 51 minutes travel time is required for a trip between 100th Street and Yates Avenue and the Loop on this new service which operates Mondays through Fridays.

Exclusive Traffic Lane

A long sought aid to speed up mass transit was realized on June 27, 1956, when an exclusive traffic lane on Washington Street, from the east curb line of Wacker Drive to the west curb line of Wabash Avenue, was assigned to mass transit vehicles. Time studies, made before and after the inauguration of this exclusive traffic lane, indicate that time savings of 14.5% are realized during the morning rush period, 15.4% during the evening rush period, and 25.8% during the midday. The savings in minutes through this relatively short section (7 blocks) show that were such traffic plans applied more generally, the saving in time to those who use mass transit would be considerable.

Schedules

The program of co-ordinating headways between routes in off-peak periods to minimize transfer waiting time at intersections was comprehensively followed for week-day operations during the year 1955, and during 1956 this program was extended to cover Saturday operation. This program presents a most difficult scheduling problem but the results have been very gratifying, the ultimate objective being that passengers transferring from one line to another will not be compelled to wait longer than one-half the headway time in effect on the line to which he wishes to transfer at any time of the day on any day of the week. The benefit of this program to the Authority's patrons becomes apparent when it is known that over 44% of passengers paying their fare on the surface system transfer to another surface system vehicle to reach their destination.

It is the responsibility of the Schedule-Traffic Department to construct schedules which provide sufficient service and efficient operation on each of the routes on the Surface System. Individual schedules are prepared for Weekday, Saturday and Sunday operation for all of the routes. Special schedules are provided on Mondays and Thursdays for those routes which have heavy evening shopper riding. These schedules for the various days of the week are submitted to each of the Stations for picking by the Operators. Schedules are required by contract to be submitted for picking at least five times a year. From these schedules we have prepared a Run Guide, Supervisor Guide, and a Running Time Chart which is informative to both the Operator and Supervisory Force.

Run Guide

The Run Guide shows in detail for each run the pay time, reporting time at the Station, the starting time on the vehicle, the arriving and leaving time at each of the terminals for each trip, and also the time that the Operator leaves the vehicle. For each route operating from the Station, separate Run Guides are prepared. The Run Guides are posted in the Trainmen's room of the Station and are used by both the regular Operators and Extra Operators in prescribing the scheduled work of their particular run. When new schedules are constructed for any of the routes, new Run Guides are prepared and posted in the Station for examination by the Operators before the Operator makes his selection of run desired.

Supervisor Guide

The Supervisor Guide shows for each trip on the route the run number of the Operator, the time that the trip leaves the terminal, and the time that the Operator is due at the various intermediate time points along the route, and finally the leaving time at the terminal for the return trip. These Supervisor Guides are a typed copy of the penciled headway sheet used by the Schedule-Traffic Department. The information contained in the headway sheets is condensed into a size convenient for handling by the Supervisory Force. The Supervisor Guide is very essential to the Supervisory Force. The Guides enable a Supervisor to ascertain whether the Operators are adhering to their scheduled time, and in case of emergencies or interruptions of service, the Supervisor can switch vehicles to bring the route back to its normal operation. The Guides, which are posted in the Station, are used by the men to determine when their trip is due at intermediate time points along the route.

Running Time Chart

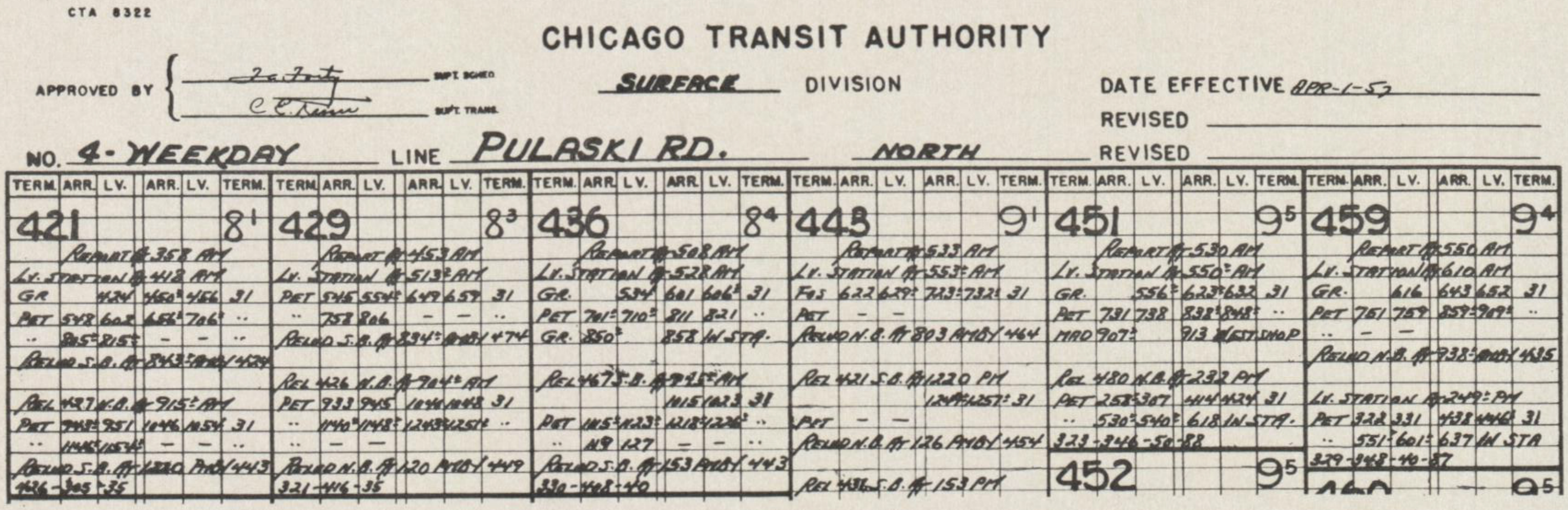
The Running Time Chart, which appears with the Supervisor Guide, shows in detail the allowed time in minutes between time points for the various times or periods of the day. This Running Time Chart is also posted in the Station for the convenience of the Operator.

Surface Roadway Improvements

During the year a total of 33.24 miles of streetcar track was abandoned due to substitution of buses. The major mileage changes on the three types of surface system service are shown below:

Type of Service	December 31, 1956	December 31, 1955
Revenue Streetcar Track in operation (equivalent miles of single track)	56.65	89.89
Trolley bus lines (single way miles) in operation	260.02	260.02
Motor bus lines (single way route miles) in operation	1,554.22	1,516.11
Total revenue miles in operation	1,870.89	1,866.02

A total of 0.75 single track miles of abandoned track was removed in connection with street improvement work, and 160.18 track miles in streets were covered with asphalt in connection with street resurfacing work by the City, County and State. The total length of track that has been removed in connection with repaving work since the Authority was founded in 1945 is 132 miles. In that period 735 single track miles were covered with asphalt.



CTA 8322

CHICAGO TRANSIT AUTHORITY

APPROVED BY Ja Forty SUPT. SCHED.
C. E. Kenn SUPT. TRANS.

SURFACE DIVISION

DATE EFFECTIVE APR-1-57
REVISED
REVISED

NO. 4-WEEKDAY LINE PULASKI RD. NORTH

TERM.	ARR.	LV.	ARR.	LV.	TERM.
421					8^1
REPORT AT 358 AM					
LV. STATION AT 412 AM					
GR		424	450^2	456	31
PET	548	602	656^2	706^2	..
..	805^2	815^2	–	–	..
RELVD S.B. AT 843^2 AM BY 429					
REL 427 N.B. AT 915^2 AM					
PET	943^2	951	1046	1054^2	31
..	1145^2	1154^2	—	—	..
RELVD S.B. AT 1220 PM BY 443					
426-305-35					

TERM.	ARR.	LV.	ARR.	LV.	TERM.
429					8^3
REPORT AT 453 AM					
LV. STATION AT 513^2 AM					
PET	545	554^2	649	659	31
..	758	806	–	–	..
RELVD S.B. AT 834^2 AM BY 474					
REL 426 N.B. AT 904^2 AM					
PET	933	945	1046	1048	31
..	1140^2	1148^2	1243^2	1251^2	..
..	—	—			
RELVD N.B. AT 120 PM BY 449					
321-416-35					

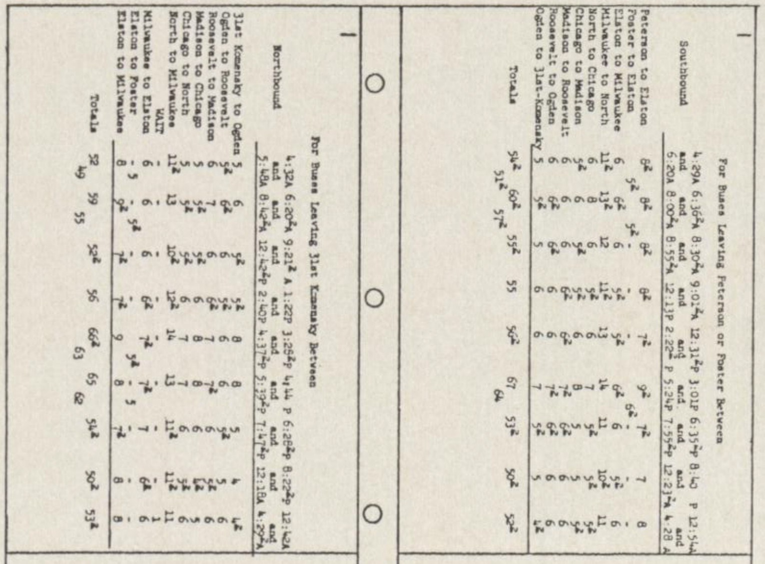
TERM.	ARR.	LV.	ARR.	LV.	TERM.
436					8^4
REPORT AT 508 AM					
LV. STATION AT 528 AM					
GR.		534^2	601	606^2	31
PET	701^2	710^2	811	821	..
GR.	850^2			858	IN STA.
REL 467 S.B. AT 945^2 AM					
			1115	1123	31
PET	1115^2	1123^2	1218^2	1226^2	..
..	119	127	–	–	..
RELVD S.B. AT 153 PM BY 443					
330-448-40					

TERM.	ARR.	LV.	ARR.	LV.	TERM.
443					9^1
REPORT AT 533 AM					
LV. STATION AT 553^2 AM					
FOS	622	629^2	723^2	732^2	31
PET	–	–			
RELVD N.B. AT 803 AM BY 464					
REL 421 S.B. AT 1220 PM					
			1249^2	1257^2	31
PET	–	—			
RELVD N.B. AT 126 PM BY 454					
REL 436 S.B. AT 153 PM					

TERM.	ARR.	LV.	ARR.	LV.	TERM.
451					9^5
REPORT AT 530 AM					
LV. STATION AT 550^2 AM					
GR.		556^2	623^2	632	31
PET	731	738	838^2	848^2	..
MAD	907^2		913	WEST SHOP	
REL 480 N.B. AT 232 PM					
PET	258^2	307	414	424	31
..	530^2	540^2	618	IN STA.	
323-346-50-88					
452					9^5

TERM.	ARR.	LV.	ARR.	LV.	TERM.
459					9^4
REPORT AT 550 AM					
LV. STATION AT 610 AM					
GR.		616	643	652	31
PET	751	759	859^2	909^2	..
..	–	–			
RELVD N.B. AT 938^2 AM BY 435					
LV. STATION AT 249^2 PM					
PET	322	331	438	446	31
..	551^2	601^2	637	IN STA	
329-348-40-87					
			–		9^5

RUNNING TIME CHART



1

For Buses Leaving Peterson or Foster Between

Southbound	4:29A and 6:20A	6:36^{2}A and 8:00^{2}A	8:30^{2}A and 8:55^{2}A	9:01^{2}A and 12:13P	12:31^{2}P and 2:22^2 P	3:01P and 5:24P	6:35^{2}P and 7:55^{2}P	8:40 P and 12:23^{2}A	12:54A and 4:28 A
Peterson to Elston	8^2	8^2	8^2	8^2	7^2	9^2	7^2	7	8
Foster to Elston	5^2	5^2	-	-	-	6^2	-	-	-
Elston to Milwaukee	6	6^2	6	5^2	5^2	6^2	6	5^2	6
Milwaukee to North	11^2	13^2	12	11^2	13	14	11	10^2	11
North to Chicago	6	8	6	5^2	6	7	5^2	5^2	5^2
Chicago to Madison	5^2	6	5^2	5^2	6	8	5	5	5^2
Madison to Roosevelt	6	6	6	6^2	6^2	7^2	6^2	6	6
Roosevelt to Ogden	6	6^2	6^2	6	6	7^2	6^2	6	6
Ogden to 31st-Komensky	5	5^2	5	6	6	7	5^2	5	4^2
Totals	54^2 51^2	60^2 57^2	55^2	55	56^2	67 64	53^2	50^2	52^2

ND 4 Weekday Pulaski Rd. Trolley Bus

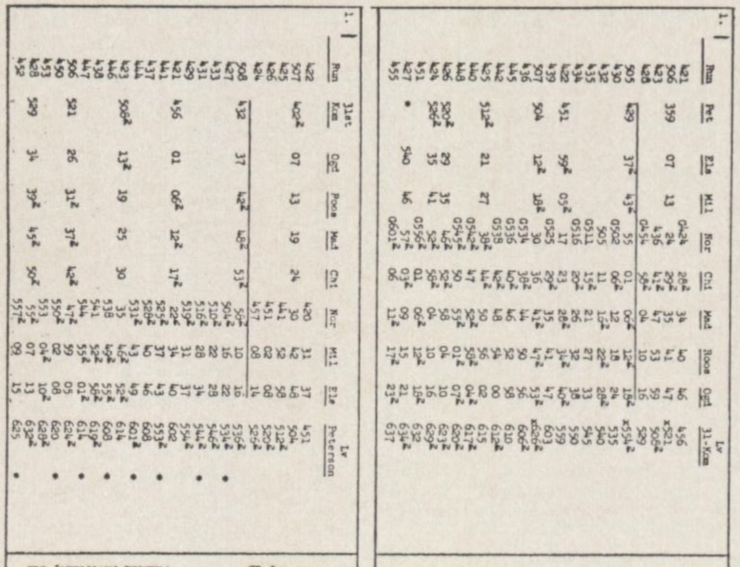
1

For Buses Leaving 31st Komensky Between

Northbound	4:32A and 5:48A	6:20^{2}A and 8:42^{2}A	9:21^2 A and 12:42^{2}P	1:22P and 2:40P	3:26^{2}P and 4:37^{2}P	4:44 P and 5:39^{2}P	6:28^{2}P and 7:47^{2}P	8:22^{2}P and 12:18A	12:42A and 4:29^{2}A
31st Komensky to Ogden	5	6	5^2	5^2	8	8	5	4	4^2
Ogden to Roosevelt	5^2	6^2	6	5^2	6	6	5^2	5	6
Roosevelt to Madison	6	7	6	6^2	7	7^2	6	5^2	6
Madison to Chicago	5	5^2	5^2	6	8	8	6	4^2	5
Chicago to North	5	5^2	5^2	6	7	7	6	5^2	6
North to Milwaukee	11^2	13	10^2	12^2	14	13	11^2	11^2	11
WAIT	-	-	-	-	-	-	-	-	1
Milwaukee to Elston	6	6	6	6^2	7^2	7^2	7	6^2	6
Elston to Foster	- 5	- 5^2	-	-	5^2	- 5	-	-	-
Elston to Milwaukee	8	9^2	7^2	7^2	9	8	7^2	8	8
Totals	52 49	59 55	52^2	56	66^2 63	65 62	54^2	50^2	53^2

ND 4 Weekday Pulaski Rd. Trolley Bus

SUPERVISOR GUIDE



1.

Run	Pet	Els	Mil	Nor	Chi	Mad	Roos	Ogd	Lv 31-Kom
421				G424	28^2	34	40	46	456
506	359	07	13	24	29^2	35	41	47	x521
423				436	41^2	47	53	59	508^2
428				G454	58^2	04	10	16	529
505	429	37^2	43^2	55	01	06^2	12^2	18^2	x554^2
430				G502	06^2	12	18	24	535
432				505	11	16^2	22^2	28^2	540
435				G511	15^2	21	27	33	545
434				G516	20^2	26	32	38	550
422	451	59^2	05^2	17	23	28^2	34^2	40^2	559
439				G525	29^2	35	41	47	603
507	504	12^2	18^2	30	36	41^2	47^2	53^2	x626^2
436				G534	38^2	44	50	56	606^2
445				G536	40^2	46	52	58	610
442				G539	42^2	48	54	00	612^2
425	512^2	21	27	38^2	44^2	50	56	02	615
440				G542^2	47	52^2	58^2	04^2	617^2
448				G545^2	50	55^2	01^2	07^2	620^2
426	520^2	29	35	46^2	52^2	58	04	10	623^2
424	526^2	35	41	52^2	58^2	04	10	16	629^2
451				G556^2	01	06^2	12^2	18^2	632
427	•	540	46	57^2	03^2	09	15	21	634^2
455				G601^2	06	11^2	17^2	23^2	637

ND 4 Weekday SB 4-1-57 Pulaski Rd. Trolley Bus

1.

Run	31st Kom	Ogd	Poos	Mad	Chi	Nor	Mil	Ele	Lv Peterson	
422						420	31	37	451	
507	402^2	07	13	19	24	30	42	48	504	
425						441	52	58	512^2	
426						451	02	08	520^2	
424						457	08	14	525^2	
508	432	37	42^2	48^2	53^2	58^2	10	16	536^2	
427						504^2	16	22	534^2	•
433						510^2	22	28	546^2	
431						516^2	28	34	544^2	•
429						519^2	31	37	554^2	
421	456	01	06^2	12^2	17^2	22^2	34	40	602	
441						525^2	37	43	553^2	•
437						528^2	40	46	608	
444						531^2	43	49	601^2	•
423	508^2	13^2	19	25	30	35	46^2	52^2	614	
446						538	49^2	55^2	608	•
438						541	52^2	58^2	619^2	
447						544	55^2	01^2	614	•
506	521	26	31^2	37^2	42^2	47^2	59	05	624^2	
450						550^2	02	08	620	•
453						553	04^2	10^2	628^2	
428	529	34	39^2	45^2	50^2	55^2	07	13	632^2	
452						557^2	09	15	625	•

ND 4 Weekday NB Pulaski Rd. Trolley Bus

An additional off-street bus terminal was constructed at Cottage Grove and Burnside during the year and five off-street terminals were abandoned during the year—one due to abandonment of streetcar operation and four due to consolidation and/or extension or re-routing of bus lines. At December 31, 1956, there were 97 of these off-street terminals in use. Their purpose is to provide a private off-street turn-around for Authority's vehicles, thereby eliminating the accident hazard of looping operation in city streets, and to release street space throughout the city that otherwise would be occupied by parked buses during their layover period at the end of the line.

Rapid Transit System

Modernization of rolling stock, rehabilitation of physical property and service improvements have been carried on to the fullest extent possible within the Authority's available funds. At May 31, 1957, 591 of the 744 new, modern L-Subway cars purchased, on order, or to be ordered, had been delivered and placed in service. Since October 1, 1947, 932 obsolete wood-steel cars have been retired from service and scrapped.

Improvements

Approximately $238,000 was spent for renewing stone ballast in the North-South and Ravenswood branch track beds to improve riding quality at the higher speeds attainable with modern equipment.

The Randolph-Wabash "L" station is being remodeled. This project is financed jointly by the Authority and Marshall Field and Company.

On the Lake Street branch, both the north and south platforms of the Pulaski station were extended about 200 feet eastward to provide new entrances and exits at Harding Avenue, which is about one and one-half blocks west of Hamlin Avenue. This permitted the closing of lightly used Hamlin "A" station and gives patrons, who formerly used Hamlin, the choice of either "A" or "B" trains at Pulaski, which is an all-stop station. Under this new arrangement, the extreme front and rear doors of all trains can be used at all stations for loading and unloading, an advantage not formerly possible because of platform limitation at Hamlin Avenue. This speed-up in loading and unloading, together with the elimination of one service stop on the route, affords time saving for most Lake Street riders.

Another mass transit "first" has been the installation of a "Speed Ramp" at the 63rd Street and Loomis Boulevard terminal of the Englewood branch of the North-South L-Subway route. This speed ramp, which is supplemental to the existing stairways, is approximately 88 feet long, with 33 inches of exposed standing space, runs up at a 15 degree angle for a vertical lift of 22′4″, and has a rated capacity of 7,200 passengers per hour at a belt speed of 125 feet per minute. The direction of travel can be reversed to fit the required pattern of usage in the A.M. or P.M. rush hours. If this experimental installation proves successful, CTA may use speed ramps to supplement elevated stairs in the Loop area and at certain outlying "L" stations where heavy patronage warrants the investment.

Also, for the added convenience of its patrons, CTA has installed four experimental self-service token vending machines (a token and a nickel for a quarter) to speed up turnstile fare collection, and ten turnstiles equipped with transfer issuing machines, which allow a patron who has two dimes or a token, to obtain a transfer and board a train without having to wait in line at an agent's booth.

Kenwood-Stockyards Branch

Early in the year 1956, the Chicago Junction Railroad, owners of the Kenwood-Stockyards branches of the elevated system, made a demand for $100,000 yearly rental for the use of their structures and facilities and gave CTA until May 1, 1956 to agree. No rent has been paid for these facilities since rental payments were discontinued in 1937 by the Chicago Rapid Transit Company, one of the predecessor companies of the Authority.

Because of the heavy operating losses incurred on these branches and the continued downward trend in riding, Chicago Transit Board had no alternative but to decide to discontinue the operation, which was then losing in excess of $200,000 per year, and to substitute bus service in the the area affected.

Extended negotiations produced no result and finally, in an effort to keep these two "L" branches operating, Mayor Daley appointed a six man committee to work out some agreement between the parties, with the result that the Authority agreed to continue the operation through July 1957 and to pay a token rental of $1,000 per month for eleven months, from September 1, 1956, to provide time to work out a permanent solution of the problem.

Shoppers' Special

Evanston Shoppers' Special train service was inaugurated November 28, 1955 on an experimental basis but failed to attract enough riders to be self-supporting. On September 10, 1956 the Howard Street station was added as a stop for Evanston Shoppers' Special trains.

The primary advantage of this new arrangement to our riders is that it offers more convenient transportation between Howard Street and downtown Chicago to some of the 12,000 people who normally board rapid transit trains at the Howard Street station each weekday. The adult fare on Shoppers' Special trains between points north of Howard Street and points south of Howard Street remained at 40c per ride, a premium of 10c above the fare on regular service trains, and a 30c fare is charged between Howard Street and the Loop. To date this change has produced no material improvement in the riding on the Evanston Shoppers' Special trains.

Congress Street Expressway

The tracks in the median strip of the Congress Street Expressway are virtually completed between Kostner Avenue and Damen Avenue. Work was started late in 1956 on construction of tracks in the section between Halsted Street and Damen Avenue. The tracks in the subway section are completed except for short gaps in ballast left to permit duct line installation. It is anticipated that the tracks between Halsted Street and Laramie Avenue, including the tracks in the subway section, will be completed by late 1957.

During 1956 Authority forces laid temporary tracks from a point east of Lotus Avenue to a point west of Austin Boulevard, and also started installation of temporary tracks from Austin Boulevard in Chicago, to Desplaines Avenue in Forest Park. Contractors for the Cook County Highway Department started the construction of grade separation tunnels at Lockwood Avenue. Permanent tracks will be laid by Authority forces in 1957 from Laramie Avenue westward through the grade separation tunnels at Lockwood Avenue to a temporary connection with the existing temporary tracks east of Central Avenue. This will permit the operation of all permanent tracks completed from Central Avenue eastward during the complicated construction procedures required to relocate the existing B. & O. C. T. and the Authority's tracks, and construction of the Expressway from Central Avenue in Chicago to Desplaines Avenue in Forest Park.

Contracts have been awarded by the City of Chicago for construction of eight sub-structures and stations on the Congress median strip. Location of these stations will be as follows: Cicero-Lavergne; Pulaski-Keeler; Kedzie-Homan; California; Western; Damen-Ogden-Paulina; Loomis-Racine; and Halsted-Morgan.

Station buildings will be constructed of glazed pastel-colored brick. Interior finish will be of aluminum and glass. Station names will be in neon lights and canopies over the loading platforms will protect waiting passengers from rain and snow.

It is presently expected that the west side subway will be running by December 15, 1957.

System

New Equipment

During 1956 the Authority received and placed into service 40 modern, all-metal rapid transit cars out of a total of 200 on order. Deliveries are now proceeding on schedule and the last of the cars on order are expected to be delivered and in service by mid-July 1957. The Authority expects to receive bids and place orders during 1957 for 70 more L-subway cars, which will complete the initial modernization of rapid transit passenger equipment, and provide equipment for operation of the new Congress Street Expressway line. The new cars now being delivered will replace the old wood-steel cars still in service on certain elevated routes, and upon delivery of the final 70 cars to be ordered in 1957 the rapid transit rolling stock will be 100% modernized.

During the year there were also delivered 81 modern propane motor buses of a total of 250 on order, 150 by outright purchase and 100 to be obtained under a lease arrangement. The last of the motor buses on order are expected to be delivered and in service by the end of June 1957. These buses are being used to replace PCC streetcars (which will eventually be converted to L-subway cars) and to replace some of the older buses now in service. Under the replacement program, it is expected that an additional 150 motor buses will be ordered in the fall of 1957 for delivery at or about the end of the year.

Delivery during 1956 of both rapid transit cars and motor buses was adversely affected by a month-long strike in the steel industry and strikes in the plants of certain electrical suppliers.

Modernization Program

Chicago Transit Authority's modernization program, the most extensive in the history of local transit in Chicago, has been continued with vigorous advances. By December 31, 1956, the third new motor bus garage had been completed and 450 additional buses and rapid transit cars were on order and in the process of construction and delivery. The final order in the rapid transit phase of the equipment modernization program, covering an additional 70 cars, is scheduled for bidding in mid-year 1957, for delivery in 1958.

Expenditures for modernization to the end of 1956 were $112,128,953 which compares with $106,302,437 at the close of the previous year. The total expenditures for new passenger equipment to December 31, 1956 amounted to $85,146,766. The changes in the property accounts of the Authority during 1956 are set forth in a separate statement at the end of this report.

At the conclusion of this outstanding modernization program, CTA will have acquired 4,256 new, modern buses and cars, constructed three new operating garages, and modernized its shops, garages, shop tools and machinery and other facilities, at a total cost of approximately $137,500,000.

The net expenditures for revenue vehicles under the program will amount to approximately $97,000,000 — $65,500,000 for 3,512 Surface System cars and buses and $31,500,000 for 744 L-subway cars.

Revenue vehicles purchased and delivered by years through December 31, 1956, and those on order and planned for delivery in years 1957 and 1958, are shown below:

SUMMARY OF REVENUE VEHICLES PURCHASED UNDER THE MODERNIZATION PROGRAM JANUARY 1, 1945 TO DECEMBER 31, 1956, PLUS FIRM ORDERS AND CONTEMPLATED COMMITMENTS TO COMPLETE THE MODERNIZATION PROGRAM

Year Received	Street Cars	Trolley Buses	Motor Buses(2)	Total Surface	L-subway Cars	Grand Total
1945	—	—	55	55	—	55
1946	103	—	192	295	—	295
1947	199	—	281	480	2	482
1948	298	210	372	880	2	882
1949	—	—	—	—	—	—
1950	—	—	31	31	100	131
1951	—	190	520	710	100	810
1952	—	159	—	159	—	159
1953	—	—	105	105	—	105
1954	—	2	317	319	176(3)	495
1955	—	—	78	78	94(3)	172
1956	—	—	81(1)	81(1)	40(3)	121
Sub-Total . . .	600	561	2,032	3,193	514	3,707
On order for delivery in 1957 . . .	—	—	169	169	160(3)	329
Planned for 1957-1958 delivery .	—	—	150	150	70(3)	220
Grand Total . .	600	561	2,351	3,512	744	4,256

(1) Includes 31 of 100 Mack propane motor buses to be operated under a lease agreement.

(2) Does not include 595 motor buses acquired thru acquisition of Chicago Motor Coach Company.

(3) PCC streetcars converted for L-subway operation.

Chicago Transit Board

Mrs. Bernice T. Van der Vries was appointed a Member of Chicago Transit Board, to succeed Mr. John S. Miller, for the term expiring September 1, 1963. The appointment was made by Honorable William G. Stratton, Governor of Illinois, and approved by Honorable Richard J. Daley, Mayor of Chicago. The Board passed a resolution of gratitude for the services of John S. Miller. Mrs. Van der Vries filed her oath of office with the Secretary of State on January 10, 1957.

The Board held eighteen meetings for the transaction of official business during the year and, in addition, held many informal conferences and public hearings.

Personnel

Messrs. Horace L. Howell, Superintendent of Way and Structures, Charles J. Mersch, General Superintendent of Investigations and Claims, and John F. Gillen, Superintendent of Carhouses and Garages, retired during the year. Mr. Howell's position was filled by Mr. Charles R. Potter and Mr. Mersch's position was filled by Mr. Edward J. Healy.

By the untimely passing of Mr. Peter J. Boesen, Transit Engineer, on July 21, 1956, the Authority and this community lost the services of a man of oustanding engineering ability who, for many years, had employed his exceptional talents in the development of transit in Chicago.

During the year 470 employes retired on pensions. There were 327 deaths of persons pensioned. The total number of persons on pension at December 31 was 5,177.

The total number of employes in service at the end of 1956 was 14,500, a decrease of 586 under the 15,086 at December 31, 1955, and a decrease of 8,868 under the 23,368 employes in service at dates of acquisition of properties from predecessor companies.

There has been a critical shortage of surface system operators throughout the year, which has burdened operating expenses with overtime costs of approximately $835,000.

Recruitment efforts have been intensified through the use of various forms of advertising, and by contacting the Illinois State Unemployment Service, the Bishop's Resettlement Committee, the American Federation of Churches, The Immigrants Protective League, and other recognized foreign organizations and agencies to recruit potential applicants from foreign groups coming to the United States. The Authority's experience has been that the greatest response comes from newspaper "help wanted" ads, which accounted for 52% of all applicants during 1956, followed by 19% through station signs, 12% by employe referrals, and 17% from all other means of advertising. The number of applicants diminishes year by year, having dropped from 15,791 in 1954 to 10,873 in 1956. Of the 10,873 applicants interviewed during 1956, only 1,396, or 13%, were able to meet the aptitude tests, physical standards, and training required of employes to whom the Authority entrusts the safety and comfort of its patrons.

CHICAGO TRANSIT AUTHORITY

Annual Operating Statistics—October 1 to December 31, 1947, and Years 1948 through 1956

	Originating Revenue Passengers			Revenue Car and Bus Miles			Passengers Carried Per Mile Operated				
Calendar Year	Surface System	Rapid Transit System	Combined Total	Surface System	Rapid Transit System	Combined Total	Surface System	Rapid Transit System	Combined Total	Population of Chicago	Rides Per Capita
1947 (A)	222,292,611	37,845,169	260,137,780	32,739,874	11,591,882	44,331,756	6.79	3.26	5.87	3,594,889	—
1948	825,379,675	137,621,520	963,001,195	131,244,673	46,668,452	177,913,125	6.29	2.95	5.41	3,661,024	263
1949	724,851,315	122,259,827	847,111,142	125,969,234	47,571,024	173,540,258	5.75	2.57	4.88	3,694,051	229
1950	641,597,249	110,603,719	752,200,968	118,400,008	44,534,576	162,934,584	5.42	2.48	4.62	3,727,078	202
1951	584,141,163	112,807,016	696,948,179	112,814,332	43,477,631	156,291,963	5.18	2.59	4.46	3,620,962	192
1952 (B)	545,332,228	112,687,227	658,019,455	111,925,857	43,365,299	155,291,156	4.87	2.60	4.24	3,665,792	180
1953	574,821,563	111,738,503	686,560,066	122,363,190	43,140,398	165,503,588	4.70	2.59	4.15	3,665,792	187
1954	529,934,199	111,232,302	641,166,501	120,937,456	43,285,362	164,222,818	4.38	2.57	3.90	3,705,000	173
1955	510,603,672	112,889,976	623,493,648	119,402,217	43,667,246	163,069,463	4.28	2.59	3.82	3,789,000	164
1956	505,623,461	115,659,105	621,282,566	118,243,862	44,317,276	162,561,138	4.28	2.61	3.82	3,801,000	163
Per Cent Decrease:											
1956 under 1955	0.98%	2.45%*	0.35%	0.97%	1.49%*	0.31%	-0-	0.77%*	-0-	0.32%*	0.61%
1956 under 1948	38.74%	15.96%	35.48%	9.91%	5.04%	8.63%	31.96%	11.53%	29.39%	3.82%*	38.02%

NOTES:

(A) CTA took over operation of Chicago Surface Lines and Chicago Rapid Transit Co. on October 1, 1947.

(B) CTA took over operation of Chicago Motor Coach Company on October 1, 1952.

* Denotes increase.

Financial

Outlook for 1957

The outlook for 1957 is far from reassuring. The budget adopted by Chicago Transit Board in December 1956 for the year 1957 shows that total revenues are estimated to be insufficient to cover all operating expenses, debt service on revenue bonds, and depreciation by approximately $3,745,000 (includes 1956 deficit carry-over of $223,611).

The 1957 revenues were estimated on the assumption that passenger traffic had stabilized itself at the 1955 level, as indicated in the operating statistical data for the period October 1, 1947 through 1956, which appears on a following page. However, passenger receipts for the first five months of 1957 were $814,200 less than had been estimated and this downward trend continues through the month of June 1957.

The 1957 budgeted expenses were based on wage rates currently in effect at the 1956 year-end, including a cost-of- living adjustment of 7c per hour. No allowance was included for the cost of any wage changes which may take place in 1957, either in the cost-of-living adjustment or as a result of basic wage increases which might result from renewal of the present wage contracts, which expire May 31, 1957.

The capital budget for 1957 was estimated at $17,647,000. Of this amount $14,554,000 is committed for the purchase of new revenue vehicles. There will be little, if any, additional funds to carry out capital projects urgently needed for the added safety and convenience of Authority's patrons.

Capital Projects in 1957

WILSON AVENUE STATION AREA—Engineering plans for track and structure changes required to enlarge the elevated trackage on the North-South rapid transit route, between Wilson and Lawrence Avenues, from the present two tracks to four tracks, are currently being prepared. This project contemplates signalization of this section of track and the construction of a new station at Addison Street on the North-South route to permit complete separation of mainline trains from Evanston and "North Shore" trains which now operate over the two-track portion of elevated structure. It is contemplated that construction on this project will start in 1957 and will be completed in 1959.

LAKE STREET RAPID TRANSIT ELEVATION AND EXTENSION—The Lake Street branch of the Rapid Transit System at the present time operates at ground level for the western 2½ miles of its route, between approximately Laramie Avenue in Chicago and Harlem Avenue in Oak Park. In this 2½ mile stretch there are 22 grade crossings. Immediately to the north and paralleling the Lake Street line, Chicago and North Western Railway has an elevated structure of sufficient width to accommodate six tracks.

It is proposed that the CTA rapid transit tracks from near Laramie Avenue in Chicago to Harlem Avenue in Oak Park be relocated to the south side of this elevated right-of-way and that the "North Western" operate on the remaining portion of the structure. It is also proposed that at the same time the Lake Street line be extended westward (on the "North Western" elevated right-of-way) from its present terminal at Harlem Avenue to a point near the Desplaines River in River Forest.

New stations will be constructed to replace those now at Central Avenue, Austin Boulevard, Ridgeland, Oak Park, Marion and Forest Park.

The total cost of this project is estimated at $7,500,000, of which $4,000,000 has been committed by the following: State of Illinois $1,000,000, County of Cook $1,000,000, City of Chicago $600,000, Village of Oak Park $800,000, and CTA $600,000. Leasehold negotiations between the railroad and CTA are nearing a conclusion, and it is contemplated that construction on this project will start in late 1957 and will be completed in 1960.

SIGNALS AND TRAIN CONTROL FOR RAPID TRANSIT SYSTEM—There is urgent need to install modern automatic signaling and train control devices on all sections of the existing rapid transit system not already so equipped. The proposed system includes block signals with automatic train stops, modern interlocking equipment at switches, turnouts and crossings, train identification equipment at busy junctions, and remote control operation where advantageous. The cost of this project is estimated at $28,000,000.

Subsidy

A fifteen-year program for improvements and extensions of the rapid transit system at a cost of approximately $314,000,000, which includes the abovementioned signal and control system, has been presented to State, County and City officials with arguments to support CTA's contention that financial assistance must be immediately forthcoming from sources other than those presently available to CTA if Chicago is to have the faster, more extensive local transit, particularly grade-separated, exclusive right-of-way rapid transit that is essential for its continuing economic progress, and the economic progress of the metropolitan area.

The suggested program has been favorably received and its need recognized by all governmental bodies involved, and a number of editorials were published by the metropolitan daily newspapers that emphasized the economic importance of fast, safe and convenient transportation in the metropolitan area, and stressed the Authority's need for financial assistance in expanding its services. There has been a series of conferences between the Governor of Illinois, the President of the County Board, the Mayor of Chicago and CTA officials, and the Legislature has appointed a special committee to study transportation needs in Chicago and outlying areas, with the view toward arriving at some acceptable plan of tax subsidy to carry out this worthwhile project.

Acknowledgments

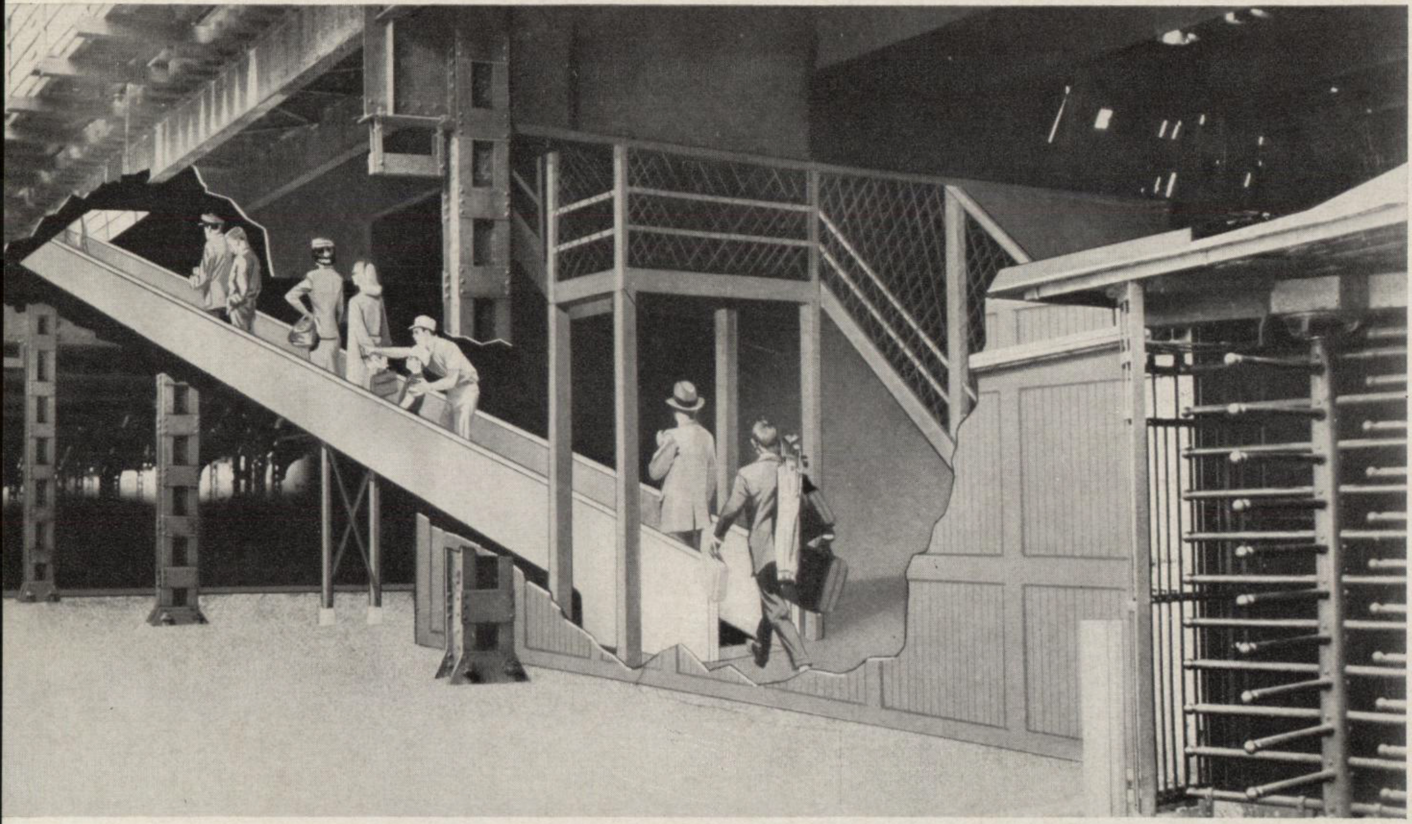
Acknowledgment is made of the splendid cooperation of the City of Chicago and other governmental agencies with particular respect to the construction of subway facilities in the Congress Street Expressway and other innovations to aid traffic and transportation.

We also express our thanks to the employes of the Authority for their faithful and diligent efforts in behalf of the organization and the riding public whom it is our privilege to serve.

By Order of the Board

V. E. Gunlock

Chairman



Speed Ramp located at 63rd and Loomis Streets on the Rapid Transit System.

ARTHUR ANDERSEN & CO.

120 South LaSalle Street
Chicago 3

Chicago Transit Board,
Chicago Transit Authority:

We have examined the balance sheet of CHICAGO TRANSIT AUTHORITY (an Illinois municipal corporation) as of December 31, 1956, and the related statements of income, of accumulated net earnings, of application of revenues and of funds for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and related statements of income, of accumulated net earnings and of funds present fairly the financial position of Chicago Transit Authority as of December 31, 1956, and the results of its operations and fund transactions for the year then ended, and were prepared in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

It is our further opinion that the accompanying statement of application of revenues presents fairly the distribution made of revenues of Chicago Transit Authority for the year ended December 31, 1956, and was prepared in accordance with the provisions of the Trust Agreement securing the Revenue Bonds.

Arthur Andersen & Co.

March 8, 1957.

CHICAGO TRANSIT AUTHORITY —

Assets

	December 31 1956	 1955
Transportation Property, at cost	$169,369,959	$168,865,288
Less—Reserve for depreciation	38,655,448	35,435,320
	$130,714,511	$133,429,968
Special Funds—cash and U. S. Government securities (see accompanying statement of funds):		
Under control of Revenue Bond Trustee—		
Transit Revenue	$ —	$ —
Series of 1947 Serial Bond Maturity	1,500,000	1,400,000
Revenue Bond Reserves	7,870,474	7,476,899
Depreciation Reserve ($1,767,068 minimum balance required at December 31, 1956, by Equipment Trust Agreements)	5,951,694	4,201,488
Revenue Bond Amortization	1,331	207,070
Operating Expense Reserve	1,571,426	1,571,426
Modernization	223,340	951,532
	$ 17,118,265	$ 15,808,415
Under control of Equipment Trustee (for purchase of equipment)	2,069,969	2,693,582
Damage Reserve	1,206,952	1,409,430
	$ 20,395,186	$ 19,911,427
Current Assets:		
Cash, U. S. Government and municipal securities (see accompanying statement of funds)—		
Working cash (including $5,000,000 provided from Revenue Bond proceeds)	$ 14,481,580	$ 12,464,228
Deposits for payment of interest on Revenue Bonds	2,391,963	2,441,899
Deposits for payment of interest on Equipment Trust Certificates	264,608	350,054
	$ 17,138,151	$ 15,256,181
Accounts receivable, less reserve	609,492	1,746,474
Materials and supplies, at average cost	5,794,771	5,453,499
Prepayments and other current assets	741,826	549,642
	$ 24,284,240	$ 23,005,796
Deferred Charges:		
Discount on Series of 1952 Revenue Bonds	$ 665,578	$ 721,340
Improvements to leased offices, in process of amortization	314,382	379,426
Other	256,513	5,673
	$ 1,236,473	$ 1,106,439
	$176,630,410	$177,453,630

COMPARATIVE BALANCE SHEETS

Liabilities

	December 31	
	1956	1955
Long-Term Debt (see accompanying statements):		
Revenue Bonds	$123,864,000	$126,891,000
Equipment Trust Certificates, after deducting funds of $2,681,800 and $2,621,800, respectively, held by Trustee for payment of principal—Note 1	10,913,200	12,378,200
	$134,777,200	$139,269,200
4% **Property Purchase Obligation,** $142,000 payable annually from Depreciation Reserve Fund, less current maturity	$ 284,000	$ 426,000
Accumulated Net Earnings (see accompanying statement):		
Portion allocated in accordance with Revenue Bond Trust Agreement for—		
Serial Bond Maturity	$ 9,500,000	$ 6,600,000
Revenue Bond Reserves	7,870,474	7,476,899
Revenue Bond Amortization	2,883,506	2,883,506
Operating Expense Reserve	1,571,426	1,571,426
Modernization	634,009	569,297
Other	398,645	206,273
Deficiency, representing depreciation for which cash was not available for deposit with Trustee	(223,612)	—
	$ 22,634,448	$ 19,307,401
Less—Financing costs not deductible from revenues in accordance with Revenue Bond Trust Agreement	4,601,529	3,895,900
	$ 18,032,919	$ 15,411,501
Current Liabilities:		
Accounts payable	$ 5,259,599	$ 4,488,928
Accrued wages and vacation pay	6,513,986	5,678,371
Accrued interest on Revenue Bonds	2,391,963	2,441,899
Accrued interest on Equipment Trust Certificates	264,608	350,054
Unredeemed tickets and tokens	304,587	311,251
	$ 14,734,743	$ 13,270,503
Deferred Liability (for repaving of abandoned right of way)	$ 1,835,716	$ 1,908,116
Damage Reserve	$ 6,965,832	$ 7,168,310
Equipment Commitments—Note 1		
	$176,630,410	$177,453,630

The accompanying notes are an integral part of these balance sheets.

Statement of Revenue Bonds

December 31, 1956

	Total Revenue Bonds	Series of 1947	
		Interest Rate	Amount
Principal Amount by Year of Maturity:			
1957	$ 3,000,000	3¼%	$ 3,000,000
1958-1961	8,000,000	3⅜	8,000,000
1962-1965	8,000,000	3½	8,000,000
1966-1972	13,000,000	3⅝	13,000,000
1978	62,466,000	3¾	62,466,000
1982	29,398,000	—	—
REVENUE BONDS per balance sheet	$123,864,000		$ 94,466,000
OTHER DATA WITH RESPECT TO REVENUE BONDS:			
Funds on deposit or to be deposited with Trustee, classified as special funds in balance sheet—			
Serial Bond Maturity	$ 1,500,000		$ 1,500,000
Revenue Bond Reserves	7,870,474		6,400,000
Revenue Bond Amortization	1,331		531
	$ 9,371,805		$ 7,900,531
Deposits with Trustee (exclusive of interest) required in 1957 (note)—			
Serial Bond Maturity, monthly deposits beginning July 1 of each year to pay Series of 1947 Revenue Bonds maturing the following July 1	$ 2,500,000		$ 2,500,000
Series of 1947 Sinking Fund, monthly deposits beginning July 1, 1957, for the retirement or redemption of Series of 1947 Revenue Bonds	574,600		574,600
Revenue Bond Reserves—			
Series of 1947, required to be maintained at $6,400,000	—		—
Series of 1952, $23,000 monthly until fund aggregates 6% of the principal amount of the then outstanding Series of 1952 Revenue Bonds	152,434		—
Series of 1953, $7,000 monthly until fund aggregates 6% of the principal amount of the then outstanding Series of 1953 Revenue Bonds	84,000		—
	$ 3,311,034		$ 3,074,600

NOTE: The Authority is also required to deposit from moneys remaining after all required deposits in the Depreciation Fund have been made, $316,714 each quarter, and deficiencies, if any, in previous quarters within the year, in the Revenue Bond Amortization Fund.

Sinking Fund deposits for the Series of 1952 and 1953 Revenue Bonds are required beginning January 1, 1960.

Series of 1952		Series of 1953	
Interest Rate	Amount	Interest Rate	Amount
—%	$ —	—%	$ —
—	—	—	—
—	—	—	—
—	—	—	—
—	—	—	—
4½	22,485,000	4½	6,913,000
	$ 22,485,000		$ 6,913,000

	$ —		$ —
	1,196,667		273,807
	110		690
	$ 1,196,777		$ 274,497

	$ —		$ —
	—		—
	—		—
	152,434		—
	—		84,000
	$ 152,434		$ 84,000

Statement of Equipment Trust Certificates

December 31, 1956

	Total Equipment Trust Certificates	Series 4	
		Class 1	Class 2
		3¾%	4½%
Principal Amount by Year of Maturity:			
1957	$ 2,895,000	$1,130,000	$ 400,000
1958	2,980,000	1,170,000	415,000
1959	2,705,000	1,215,000	215,000
1960	2,395,000	1,270,000	—
1961	435,000	—	—
1962	455,000	—	—
1963	475,000	—	—
1964	495,000	—	—
1965	505,000	—	—
1966	255,000	—	—
Total outstanding	$13,595,000	$4,785,000	$1,030,000
Less—Funds held by Trustee for payment of principal (deducted from Equipment Trust Certificates in accompanying balance sheet)	2,681,800	1,220,000	200,000
EQUIPMENT TRUST CERTIFICATES, per balance sheet	$10,913,200	$3,565,000	$ 830,000
OTHER DATA WITH RESPECT TO EQUIPMENT TRUST CERTIFICATES:			
Deposits with Trustee required in 1957 for payment of principal (Note 2)	$ 2,935,000	$1,150,000	$ 405,000

	Series 4	
	Units	Amount
Collateral at December 31, 1956—		
Equipment held in name of Trustee (at contract cost)—		
Propane buses	266	$ 5,060,519
Elevated-subway cars	137	6,429,660
Partial payments on elevated-subway cars in process of manufacture or delivery	—	—
Cash and U. S. Government securities held by Trustee for purchase of the following equipment—		
Propane buses (Note 3)	—	—
Elevated-subway cars (Note 3)	—	—
		$11,490,179

NOTES:

(1) Additional interest is payable on the Series 7 Certificates to December 1, 1957, at the per annum rate of 2% on $1,245,000 and 2½% on $1,375,000.

(2) Payments of principal and interest on all series of Equipment Trust Certificates are to be made from the Depreciation Reserve Fund, deposits to which are to be made only after requirements have been fulfilled for principal and interest on the Revenue Bonds.

(3) Additional cash of $2,905,000 was deposited in January 1957, representing $1,405,000 proceeds from the sale of additional Series 7 Equipment Trust Certificates and $1,500,000 from the Depreciation Reserve Fund.

Series 5		Series 6		
Class 1	Class 2	Class 1	Class 2	Series 7
4%	5%	4%	5%	3½% (Note 1)
$ 335,000	$120,000	$ 670,000	$240,000	$ —
345,000	120,000	690,000	240,000	—
360,000	65,000	720,000	130,000	—
375,000	—	750,000	—	—
—	—	—	—	435,000
—	—	—	—	455,000
—	—	—	—	475,000
—	—	—	—	495,000
—	—	—	—	505,000
—	—	—	—	255,000
$1,415,000	$305,000	$2,830,000	$610,000	$2,620,000
360,600	60,000	721,200	120,000	—
$1,054,400	$245,000	$2,108,800	$490,000	$2,620,000
$ 340,000	$120,000	$ 680,000	$240,000	$ —

Series 5		Series 6		Series 7	
Units	Amount	Units	Amount	Units	Amount
100	$1,975,286	134	$2,672,637	26	$ 518,260
26	1,233,329	92	4,364,857	43	2,202,098
—	—	—	—	—	3,314,673
—	—	—	—	124	2,069,969
—	—	—	—	102	
	$3,208,615		$7,037,494		$8,105,000

Notes to Financial Statements

December 31, 1956

(1) The Authority has an agreement with John Nuveen & Co., which provides, subject to certain conditions, for the sale of new Equipment Trust Certificates (not to exceed $15,000,000 principal amount) in such amounts that the aggregate amount of all certificates outstanding at any time will not exceed $15,000,000. Pursuant to this agreement, the Authority had issued $2,620,000 of Series 7 Equipment Trust Certificates as of December 31, 1956, and issued an additional $1,405,000 of such certificates on January 4, 1957. It is anticipated that additional certificates may be issued as presently outstanding certificates mature to the extent that such funds are required for the purchase of equipment. The equipment so purchased will be pledged as collateral for such certificates.

Commitments for the purchase of propane buses and for the conversion of P.C.C. streetcars to elevated-subway cars aggregated approximately $7,774,538 at December 31, 1956. This equipment is to be purchased from funds held by the Equipment Trustee and from Depreciation and Modernization Funds.

(2) In 1956 the Authority entered into a lease contract with Mack Trucks, Inc., covering the lease of 100 propane motor buses for a term of eight years at a total term rental of $2,430,216. The term rental began with the first delivery in December, 1956, and is payable in installments aggregating $607,554 in the first and second years, $303,777 in the third, fourth and fifth years, $151,889 in the sixth year and $75,944 in the seventh and eighth years.

(3) Revenues for the two-month period ended February 28, 1957, were not sufficient to make the entire deposits required for that period in the debt service funds. In accordance with the terms of the Revenue Bond Trust Agreement, such deficiency in revenues to meet the debt service requirements was made up by a transfer from the Operating Expense Reserve Fund.

Statements of Income (See Note)

For the Years Ended December 31, 1956 and 1955

	1956	1955
Revenues	$120,193,554	$120,897,185
Operating Expenses:		
Conducting transportation	$ 50,346,775	$ 48,543,650
Maintenance—		
Equipment	18,895,501	18,890,701
Way and structures	6,256,383	6,372,230
Electric power	5,744,226	6,049,381
Fuel for revenue equipment	2,810,263	3,535,013
Rental of motor buses	50,630	—
Provision for injuries and damages	8,113,065	8,660,560
General and administrative expenses—		
Employees' pensions and insurance	5,631,297	5,555,041
Social security taxes	1,231,970	1,264,769
Other	3,631,197	3,616,846
	$102,711,307	$102,488,191
Depreciation	9,615,485	9,671,775
Municipal compensation	—	—
	$112,326,792	$112,159,966
Net operating income	$ 7,866,762	$ 8,737,219
Interest Deductions:		
Interest on Revenue Bonds	$ 4,830,374	$ 4,946,632
Interest on Equipment Trust Certificates	648,883	770,441
Interest on Property Purchase Obligation	22,246	27,927
Amortization of Revenue Bond discount	34,500	34,500
Interest earned on funds controlled by Revenue Bond Trustee	(290,659)	(114,391)
	$ 5,245,344	$ 5,665,109
Net income (see note)	$ 2,621,418	$ 3,072,110

NOTE: The above statements show the revenues, expenses and net income of the Authority for the years ended December 31, 1956 and 1955. These statements do not purport to show the disposition of gross revenues in the order of precedence required by the Revenue Bond Trust Agreement. Such information is presented in the accompanying Statements of Accumulated Net Earnings and Application of Revenues.

( ) Denotes deduction.

The accompanying notes are an integral part of these statements.

Statements of Application of Revenues

(Applied in the order of precedence required by Trust Agreement securing Revenue Bonds)
For the Years Ended December 31, 1956 and 1955

	1956	1955
Revenues	$120,193,554	$120,897,185
Operation and Maintenance Expenses	102,711,307	102,488,191
	$ 17,482,247	$ 18,408,994
Debt Service Requirements—Revenue Bonds:		
Interest	$ 4,830,374	$ 4,946,632
Serial Bond Maturity	2,900,000	2,600,000
Revenue Bond Reserves	360,000	360,000
	$ 8,090,374	$ 7,906,632
Balance	$ 9,391,873	$ 10,502,362
Other Requirements:		
Depreciation	$ 9,615,485	$ 9,671,775
Revenue Bond Amortization	—	830,587
Operating Expense Reserve	—	—
Municipal Compensation	—	—
	$ 9,615,485	$ 10,502,362
Deficiency, representing depreciation for which cash was not available for deposit with Trustee	$ (223,612)	$ —

NOTE: Revenues remaining in each year after deducting operation and maintenance expenses are to be deposited in the following funds, in the order shown, to the extent that moneys are available therefor:

1. Revenue Bond Interest, Serial Bond Maturity, and Reserve Funds — Deposits equal to debt service requirements as provided for in the Revenue Bond Trust Agreement.
2. Depreciation Reserve Fund—Deposits equal to annual depreciation provision and deficiencies, if any, in prior years' deposits.
3. Revenue Bond Amortization Fund—Deposits, cumulative within the year, equal to $300,000 quarterly for the Series of 1947 and 1952 Revenue Bonds and $16,714 quarterly for the Series of 1953 Revenue Bonds.
4. Operating Expense Reserve Fund—Deposit to be $900,000 each year if revenues are available in such year.
5. Municipal Compensation Fund—Deposit to be equal to an amount computed in accordance with the Franchise Ordinance, to the extent revenues are available.
6. Modernization Fund—Deposit to be equal to the moneys remaining after making required deposits in the above funds.

The accompanying notes are an integral part of these statements.

AUTHORITY

s Under Control of Revenue Bond Trustee					Funds Under Control of Equipment Trustee (See Accompanying Statement)	Other Funds	
Reserves	Depreciation Reserve	Revenue Bond Amortization	Operating Expense Reserve	Modernization		Damage Reserve	Working Cash
$7,476,899	$ 4,201,488	$ 207,070	$1,571,426	$ 951,532	$2,693,582	$1,409,430	$ —
—	—	—	—	—	350,054	—	12,464,228
—	—	—	—	—	2,621,800	—	—
$7,476,899	$ 4,201,488	$ 207,070	$1,571,426	$ 951,532	$5,665,436	$1,409,430	$ 12,464,228
—	2,073,841	(205,679)	—	1,685,161	—	(929,182)	(8,594,163)
$7,476,899	$ 6,275,329	$ 1,391	$1,571,426	$2,636,693	$5,665,436	$ 480,248	$ 3,870,065
$ 159,925	$ —	$ —	$ 39,125	$ —	$ 98,655	$ —	$ 255
—	—	—	—	—	1,375,000	—	—
33,575	192,372	—	—	64,712	(98,655)	—	(255)
360,000	9,659,286	205,679	—	1,008,000	—	—	106,587,956
(159,925)	—	—	(39,125)	273,347	—	8,397,880	(8,671,226)
$ 393,575	$ 9,851,658	$ 205,679	$ —	$1,346,059	$1,375,000	$8,397,880	$ 97,916,730
$ —	$ —	$ —	$ —	$ —	$ —	$ —	$101,369,159
—	935,017	205,739	—	430,892	8,023,481	8,272,488	(1,365,909)
—	4,991,422	—	—	1,008,000	(5,999,422)	—	—
$ —	$ 5,926,439	$ 205,739	$ —	$1,438,892	$2,024,059	$8,272,488	$100,003,250
$ 53,528	$ 3,251,085	$ 1,331	$ 6,426	$ 440,832	$3,718,350	$ 605,640	$ 1,767,374
7,816,946	6,949,463	—	1,565,000	2,103,028	1,298,027	—	16,171
$7,870,474	$10,200,548	$ 1,331	$1,571,426	$2,543,860	$5,016,377	$ 605,640	$ 1,783,545
—	—	—	—	—	—	—	—
—	579,182	—	—	—	—	601,312	5,549,479
—	(4,828,036)	—	—	(2,320,520)	—	—	7,148,556
$7,870,474	$ 5,951,694(1)	$ 1,331	$1,571,426	$ 223,340	$5,016,377	$1,206,952	$ 14,481,580
$7,870,474	$ 5,951,694	$ 1,331	$1,571,426	$ 223,340	$2,069,969	$1,206,952	$ —
—	—	—	—	—	264,608	—	14,481,580
—	—	—	—	—	2,681,800	—	—
$7,870,474	$ 5,951,694	$ 1,331	$1,571,426	$ 223,340	$5,016,377	$1,206,952	$ 14,481,580

( ) Denotes deduction.

Statement of Accumulated Net Earnings

For the Year Ended December 31, 1956

		Portion Allocated in Acc		
	Total	Serial Bond Maturity	Revenue Bond Reserves	Revenu Bond Amortizat
Balance December 31, 1955	$15,411,501	$6,600,000	$7,476,899	$2,883,5
Net income for 1956, per statement of income	2,621,418	—	33,575 (2)	—
Allocation of net earnings for debt service requirements	—	2,900,000	360,000	—
Balance December 31, 1956	$18,032,919	$9,500,000	$7,870,474	$2,883,5

( ) Denotes deduction.

NOTES:

(1) In accordance with the Revenue Bond Trust Agreement these items, representing accumulated interest and redemption prem the Depreciation Reserve Fund, and amortization of discount on Revenue Bonds, are not deductible from revenues.

(2) Interest earnings on investments in funds controlled by the Revenue Bond Trustee which are available only for disbursemen

(3) Deficiency, representing depreciation for which cash was not available for deposit with Trustee

ordance With Revenue Bond Trust Agreement For

e ion	Operating Expense Reserve	Modernization	(Other— Depreciation Fund and Special Modernization)	Unallocated Net Earnings	Financing Costs Not Deductible from Revenues (Note 1)
06	$1,571,426	$569,297	$206,273	$ —	$(3,895,900)
	—	64,712 (2)	192,372 (2)	3,036,388	(705,629)
	—	—	—	(3,260,000)	—
06	$1,571,426	$634,009	$398,645	$ (223,612) (3)	$(4,601,529)

ium on Equipment Trust Certificates and interest on the Property Purchase Obligation paid from

t for purposes for which the funds were created.

Statement of Funds

For the Year Ended December 31, 1956

		Fun		
			Revenue Bond	
	Total	Transit Revenue	Interest	Serial Maturity
Balance December 31, 1955—				
Classified in accompanying balance sheet as:				
Special funds	$ 19,911,427	$ —	$ —	$1,400,000
Current assets	15,256,181	—	2,441,899	—
Reduction of long-term debt	2,621,800	—	—	—
	$ 37,789,408	$ —	$2,441,899	$1,400,000
Eliminate—				
Fund transfers and deposits recorded at December 31, 1955, but made after that date	(617,594)	5,352,428	—	—
Balance December 31, 1955—				
After eliminating above transfers and deposits	$ 37,171,814	$ 5,352,428	$2,441,899	$1,400,000
Add—Receipts:				
Collection of revenues	$120,537,985	$120,170,384	$ 33,463	$ 36,178
Proceeds from sale of Equipment Trust Certificates	1,375,000	—	—	—
Other receipts	6,366,710	6,174,961	—	—
Transfers from Transit Revenue Fund	—	(125,551,295)	4,830,374	2,900,000
Other transfers (net)	—	268,690	(33,463)	(36,178)
	$128,279,695	$ 1,062,740	$4,830,374	$2,900,000
Deduct—Disbursements:				
Costs and expenses of operation, purchase of materials and supplies, reimbursable expenditures, etc.	$101,369,159	$ —	$ —	$ —
Disbursements for purposes for which funds were created	24,182,018	—	4,880,310	2,800,000
Transfers from Revenue Bond Trustee to Equipment Trustee (see accompanying statement)	—	—	—	—
	$125,551,177	$ —	$4,880,310	$2,800,000
Balance December 31, 1956—				
Before transfers described below:				
Cash	$ 18,663,862	$ 6,415,168	$2,391,963	$ 12,165
U. S. Government and municipal securities (at cost)	21,236,470	—	—	1,487,835
	$ 39,900,332	$ 6,415,168	$2,391,963	$1,500,000
Add or (Deduct):				
December collections deposited January 2, 1957	314,805	314,805	—	—
Fund transfers to be made after December 31, 1956—				
Transfers from Transit Revenue Fund	—	(6,729,973)	—	—
Reimbursement of working cash for disbursements payable from special funds	—	—	—	—
	$ 40,215,137	$ —	$2,391,963	$1,500,000
Balance December 31, 1956—				
Classified in accompanying balance sheet as:				
Special funds	$ 20,395,186	$ —	$ —	$1,500,000
Current assets	17,138,151	—	2,391,963	—
Reduction of long-term debt	2,681,800	—	—	—
	$ 40,215,137	$ —	$2,391,963	$1,500,000

NOTE (1): $1,767,068 minimum balance required at December 31, 1956, by Equipment Trust Agreements.

Revenue Equipment Owned

December 31, 1956

	On Hand Dec. 31, 1955	January 1, 1956 to December 31, 1956 Acquired	Retired	On Hand Dec. 31, 1956
Surface System:				
Street Cars—				
P. C. C. Cars	326	—	129	197
Other Closed Platform	2	—	2	—
Open Platform	6	—	6	—
Total Street Cars	334	—	137	197
Buses—				
Trolley Buses	600	—	7	593
Gas—Mechanical	270	—	5	265
Gas—Hydraulic	528	—	1	527
Diesel—Hydraulic	710	—	8	702
Propane—Hydraulic	1,050	50	—	1,100
Total Buses	3,158	50	21	3,187
Total Surface Equipment	3,492	50	158	3,384
Rapid Transit System:				
Elevated Cars—wood and steel	331	—	43	288
Elevated—Subway Cars				
Steel, conventional type	452	—	—	452
Metal, Articulated	4	—	—	4
Metal, P. C. C.	470	40	—	510
Total Rapid Transit Cars	1,257	40	43	1,254
Total Revenue Equipment Owned	4,749	90	201	4,638

Statement of Funds Under Control of Equipment Trustee

For the Year Ended December 31, 1956

		Equipment Trust Cert		
			Payment of Pri	
	Total Funds Under Control of Equipment Trustee	Payment of Interest	Series 4	Series 5
Balance December 31, 1955—				
Classified in accompanying balance sheet as:				
Special funds	$2,693,582	$ —	$ —	$ —
Current assets	350,054	350,054	—	—
Reduction of long-term debt	2,621,800	—	1,390,000	410,600
	$5,665,436	$350,054	$1,390,000	$410,600
Add—Receipts:				
Proceeds from sale of Equipment Trust Certificates	$1,375,000	$ —	$ —	$ —
Interest collections on U. S. Government securities	98,655	3,950	21,721	6,362
Interest collections transferred to Revenue Bond Trustee	(98,655)	(3,950)	(21,721)	(6,362)
Transfers from Revenue Bond Trustee for—				
Payment of principal and interest on Equipment Trust Certificates	3,491,422	651,422	1,505,000	445,000
Purchase of equipment	1,500,000	—	—	—
Proceeds from sale of PCC cars	1,008,000	—	—	—
	$7,374,422	$651,422	$1,505,000	$445,000
Deduct—Disbursements:				
Payments to equipment manufacturers	$4,506,613	$ —	$ —	$ —
Payment of principal and interest on Equipment Trust Certificates	3,516,868	736,868	1,475,000	435,000
	$8,023,481	$736,868	$1,475,000	$435,000
Balance December 31, 1956:				
Cash	$3,718,350	$264,608	$ 761,272	$225,780
U. S. Government securities (at cost)	1,298,027	—	658,728	194,820
	$5,016,377	$264,608	$1,420,000	$420,600
Balance December 31, 1956:				
Classified in accompanying balance sheet as:				
Special funds	$2,069,969	$ —	$ —	$ —
Current assets	264,608	264,608	—	—
Reduction of long-term debt	2,681,800	—	1,420,000	420,600
	$5,016,377	$264,608	$1,420,000	$420,600

ificate Funds	
ncipal	Purchase of Equipment
Series 6	Series 7
$ —	$2,693,582
—	—
821,200	—
$821,200	$2,693,582
$ —	$1,375,000
14,181	52,441
(14,181)	(52,441)
890,000	—
—	1,500,000
—	1,008,000
$890,000	$3,883,000
$ —	$4,506,613
870,000	—
$870,000	$4,506,613
$451,317	$2,015,373
389,883	54,596
$841,200	$2,069,969
$ —	$2,069,969
—	—
841,200	—
$841,200	$2,069,969

Mileage Owned, Leased, and Operated

December 31, 1956

	Surface System	Rapid Transit System	Combined
Track Owned or Leased:			
Owned	177.30	190.87	368.17
Leased	—	23.51	23.51
Total Track Owned or Leased	177.30	214.38	391.68
Revenue and Non-Revenue Track or Route Mileage:			
Revenue Miles in Operation—			
Revenue Tracks	56.65	170.49	227.14
Trolley Bus Lines (Single Way Miles)	260.02	—	260.02
Motor Bus Lines (Single Way Miles)	1,554.22	—	1,554.22
Total Revenue Miles	1,870.89	170.49	2,041.38
Non-Revenue Miles—			
Unused Track	106.06 (1)	1.20 (1)	107.26
Service Track	14.59 (2)	42.69 (3)	57.28
Connecting Trolley Bus Lines, and Trolley Bus Storage	17.79	—	17.79
Total Non-Revenue Miles	138.44	43.89	182.33
TOTAL	2,009.33	214.38	2,223.71

NOTES:

(1) This mileage covers Tracks located in public ways and streets which are isolated, Tracks from which electric service has been disconnected, and Tracks not used.

(2) This mileage covers Tracks located in yards and carhouses; also 17.36 miles in public ways and streets used for pull-in, pull-out, work cars, and in case of emergencies.

(3) Includes 13.81 miles of Main Line Storage Track, and 3.28 miles freight Gauntlet Track, Evanston Branch. Balance consists of Tracks in yard and carhouses.

Statement of Transportation Property and Organization Expense

Showing Balance at December 31, 1955, Plus Additions and Less Retirements During Year 1956 and Balance at December 31, 1956

	Balance Dec. 31, 1955	Plus Gross Additions	Less Retirements	Balance Dec. 31, 1956
Land	$ 13,706,495	$ 121,520	$ 88,511	$ 13,739,504
Track and Paving	13,844,153	305,592	2,934,122	11,215,623
Machinery and Tools	3,416,906	290,988	71,964	3,635,930
Electric Line Equipment	10,375,813	177,982	356,526	10,197,269
Buildings	23,212,319	1,191,858	1,235,608	23,168,569
Cars	33,832,597	4,226,509	2,112,745	35,946,361
Buses	54,649,148	553,680	137,237	55,065,591
Work Cars, Autos and Service Equipment	1,565,211	26,901	51,875	1,540,237
Furniture	1,131,573	96,317	90,742	1,137,148
Signals and Interlocking	585,730	80,517	4,498	661,749
Crossings, Fences and Signs	605,144	154,073	233	758,984
Elevated Structures	6,767,545	149,964	10,080	6,907,429
Substation Equipment	1,745,569	1,584	31,709	1,715,444
Telephone and Communications	457,069	49,872	6,492	500,449
Engineering	46,623	—	—	46,623
General and Miscellaneous	2,838,077	365,667	156,011	3,047,733
Total Transportation Property	$168,779,972	$7,793,024	$7,288,353	$169,284,643
Organization Expense	85,316	—	—	85,316
TOTAL	$168,865,288	$7,793,024	$7,288,353	$169,369,959

Operating Statistics

For the Year Ended December 31, 1956

	Surface System	Rapid Transit System	Combined
Passenger and Traffic Statistics:			
Revenue Passengers	505,623,461	115,659,105	621,282,566
Revenue Vehicle Miles—			
Cars	6,386,388	44,317,276	50,703,664
Trolley Buses	20,275,817	—	20,275,817
Motor Buses	91,581,657	—	91,581,657
Total Revenue Vehicle Miles	118,243,862	44,317,276	162,561,138
Revenue per Vehicle Mile	81.33c	54.21c	73.94c
Revenue Vehicle Hours—			
Cars	731,861	—	731,861
Trolley Buses	2,495,243	—	2,495,243
Motor Buses	10,651,659	—	10,651,659
Total Revenue Vehicle Hours	13,878,763	—	13,878,763
Power Statistics:			
Direct Current Kilowatt Hours	124,468,280	210,280,466	334,748,746
Average Cost per Kilowatt Hour	—	—	1.68c
Fuel Statistics:			
Gasoline—			
Gallons	9,374,878		
Average Miles per Gallon	2.85		
Diesel Fuel—			
Gallons	5,912,770		
Average Miles per Gallon	3.99		
Propane Fuel—			
Gallons	18,071,076		
Average Miles per Gallon	2.28		

Condensed Statement of Application of Revenues to Fixed Requirements

(Revenues applied in order of precedence required by trust agreement)

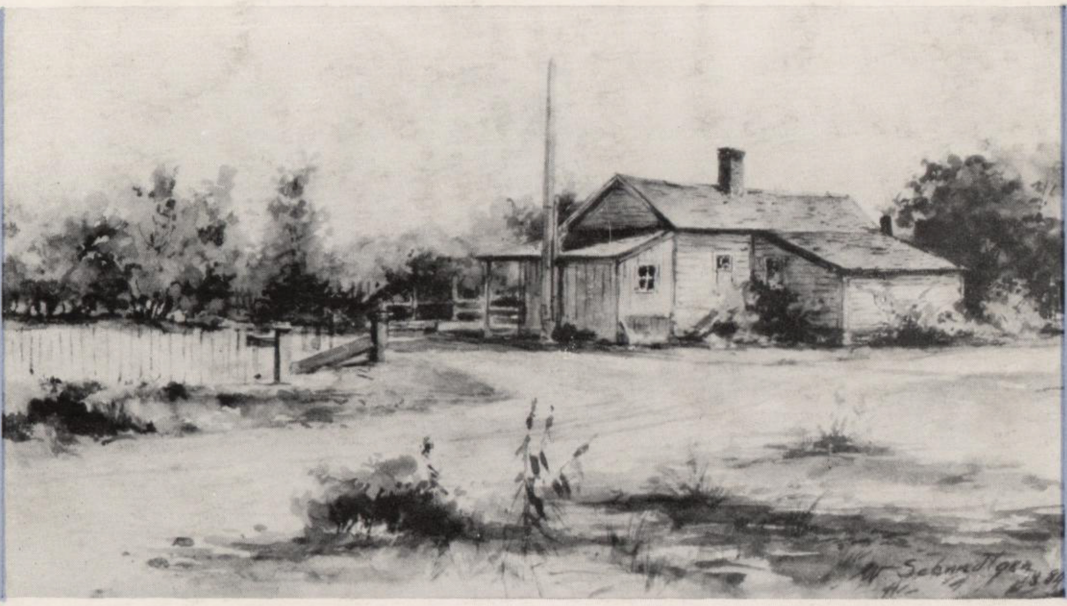
FROM DATE OF TAKE-OVER (OCTOBER 1, 1947) TO DECEMBER 31, 1956

Year	Revenues	Operating Expenses	Debt Service Requirements	Depreciation	Balance Available for Other Charges
10-1 to 12-31-47	$ 26,965,395	$ 25,200,295	$1,275,115	$1,300,000	$ 810,015*
1948	115,645,824	103,033,793	5,100,250	6,210,015#	1,301,766
1949	116,239,238	105,495,146	5,100,250	6,500,000	856,158*
1950	115,812,984	102,055,510	5,100,250	7,356,158#	1,301,066
1951	112,533,696	99,995,224	5,100,250	7,500,000	61,778*
1952(a)	117,122,567	100,716,140	5,388,314	9,431,583#	1,586,530
1953	124,103,962	106,296,905	6,579,336	9,928,317	1,299,404
1954	121,139,515	103,411,537	7,500,612	9,691,161	536,205
1955	120,897,185	102,488,191	7,906,632	9,671,775	830,587
1956	120,193,554	102,711,307	8,090,374	9,615,484	223,611*

* Deficit in provision for Depreciation, which must be made up from subsequent earnings before deposits may be made to Revenue Bond Amortization Fund, Operating Expense Reserve Fund, Municipal Compensation Fund, or Modernization Fund.

Includes carry-over of deficit from prior period.

(a) Chicago Motor Coach Company acquired October 1, 1952.



THIS sketch of the north toll gate on Clark Street was made in the spring of 1884, looking northeast at the corner of Rogers Avenue. In those days, travelers were charged a fee, usually about 25 cents, to use the toll roads in the Chicago area.